

ISSN: 2631-2131

Peer Reviewed

# Research Nepal Journal of Development Studies

(Volume I, Issue 1)

May, 2018

*A publication of*



**Research Nepal**

Mahalaxmi Municipality, Lalitpur

[www.researchnepal.edu.np](http://www.researchnepal.edu.np)



# Research Nepal Journal of Development Studies

(Volume I, Issue 1)

May, 2018

*A publication of*



**Research Nepal**

Mahalaxmi Municipality, Lalitpur

[www.researchnepal.edu.np](http://www.researchnepal.edu.np)

# Research Nepal Journal of Development Studies

## *Editor in Chief*

DR. BHARAT PRASAD BADAL

## *Publication of*

Research Nepal

[www.researchnepal.edu.np](http://www.researchnepal.edu.np)

2018 May

## *Editorial Team*

Peer Review by

Prof. Dr. Prem Sharma

Mr. Ajit Rai

Research Nepal / Publication Unit

Dr. BP BADAL

Mr. Ajit Rai

Ms. Preeti Manandhar (MSW)

---

*Issue:* Volume I, Issue 1, May 2018: A Quarterly Publication

*Number of Copies:* 2000 Copies

*Design:* Binod Ghimire

*Print:* Nepal Megha Printing House Pvt. Ltd.

*Price:* NRs: 490/-

*ISSN:* 2631-2131

## Editorial Note

Research Nepal Journal of Development Studies (RNJDS) is a multidisciplinary research journal of Nepal with vigor enthusiasm to establish the research culture from private sector. Nepal is a place with an adobe of Gods as claimed by many scholars. It is also said that in ancient time there used to be many sages and saint, living in Himalaya and meditating for the emancipation, liberation and development of human dignity. They used to devote themselves to exploration of knowledge and live scholarly life in the *Gurukul* in the bed of Himalayan regions of Nepal. From the system of *Gurukul* and *Banprastha* Ashram – living as student in the first part of life and as teacher in third part of life- they had produced many more epics like entire volumes of *Veda*, *Puran*, *Mahabharat*, *Ramayan*, *Upanishads*, and *Manusmrities*. Western system of education that has perpedad the entire South Asia has not been capable of make a significant contribution to knowledge production for the last 270 years back. However, Rabindranath Tagore and Amaratya Sen from Santiniketan in Bengal and Mohamad Unush from Bengal succeeded in winning the Noble Prize for their intellectual contribution rooted in eastern philosophy. Similarly, a pure disciple of Lord Buddha– Dalai Lama, had also won the prize. All these four Noble prize winners had their knowledge based on *Gurukul* system of oriental philosophy.

Research Nepal envisions the development of global scholars and narratives from entire philosophy of exploration of knowledge as developed by ancient saints –*Rishi Muni*, Priests, pastors etc. The journal in your hand is the first step of new born baby–The Research Nepal Journal of Development Studies. Research identifies the fact. Fact is always universal so methods or approaches to find the universal facts must be universal as well. Whether in social science or in pure science fact is fact and falsifiability is also a fact. If the destination is same, all of us have to walk together. Uniformity is a must in research methodology. A researcher must be able to unite the philosophies around the globe in this Globalization to Localization era. The civilizations of Indus, Nile, Huang He,

Tigris etc. are linked by information technology and globalization. Spiritualists and materialists both are searching for truth or fact but the modes are different. A researcher is said to be a good when he does not differentiate his works in terms of race, sex, religion, ideology and philosophy. They should be able to use and analyze all these social issues as a research variable. They also should not be either spiritualists or Materialists.

It is an attempt to unify the multidisciplinary research approaches in a single, unanimous and universally applicable method. This journal publishes researched articles related to such issues as belong to academic disciplines such as English, Economics, Sociology, Rural Development, Management, Geography, Political Science, Education etc. We integrate all disciplines in this journal. Nevertheless, we are wary about insuring uniformity in diversity. In addition, we discourage such intellectual malpractices such as plagiarism, a violation of research ethics.

The articles include abstract, keywords, objective, review, methodology and discussion. The editorial team emphasizes simple, easily understandable and valuable articles rather than on highly technical ones. Research Nepal welcomes comments, advices and suggestions from all sides concerned for its quality improvement and sustainability. We highly acknowledge Prof. Dr. Prem Sharma and Mr. Ajit Rai for their efforts as peer reviewer of entire articles of the journal. Similarly, we duly acknowledge entire colleagues of Central Department of Rural Development, Tribhuvan University, Research Nepal, University Grants Commission, Janabhawana Campus (Chapagaun), Shikharapur Community Campus (Pharping), teachers, students, contributors and others for their support and encouragements.

Editor in Chief  
Dr. BHARAT PRASAD BADAL  
Research Nepal

# Table of Contents

## Table of Contents

<b><u>1. ALTERNATIVE RURAL DEVELOPMENT: SOCIAL JUSTICE, EQUITY, SELF –RELIANCE, AND THIRD WORLDISM - Bharat Prasad Badal</u></b> .....	1
<b><u>2. SOCIO ECONOMIC IMPACT OF UNDECLARED BLOCKADE OF INDIA ON NEPAL - Bhuwaneswor Pant</u></b> .....	18
<b><u>3. SEX TRAFFICKING IN NEPAL - Bishnu Sapkota</u></b> .....	28
<b><u>4. FISCAL DECENTRALIZATION IN BUDDHIST ECONOMICS: AN INTER-ACTIVE ANALYSIS FROM LUMBINI - Indra Prasad Bhusal</u></b> .....	32
<b><u>5. SEASONAL LABOUR MIGRATION AND LIVELIHOOD IN THE MIDDLE HILL OF NEPAL: REFLECTIONS FROM ARGHAKHANCHI DISTRICT - Kanhaiya Sapkota</u></b> .....	42
<b><u>6. CARDAMOM PRODUCTION IN KAVREPALANCHOWK - Kiran Shrestha</u></b> .....	58
<b><u>7. NEPALESE MUNICIPAL GOVERNANCE: A COMPARATIVE CASE STUDY of KATHMANDU AND LALITPUR METROPOLITAN CITIES - Rajeshwor Gyawali</u></b> .....	66
<b><u>8. HISTORICAL POLICY REVIEW ON DISABILITY - Ramesh Baral</u></b> .....	73
<b><u>9. PUBLIC SERVICE DELIVERY OF LOCAL GOVERNMENT IN NEPAL IN 2015116 - Suman Kharel</u></b> .....	83
<b><u>10. ECONOMIC TRANSFORMATION ON BENEFIT SHARING OF HYDRO-POWER PROJECT AREA - Usha Khatiwada</u></b> .....	94





# 1. ALTERNATIVE RURAL DEVELOPMENT: SOCIAL JUSTICE, EQUITY, SELF –RELIANCE, AND THIRD WORLDISM

- Bharat Prasad Badal<sup>1</sup>

## Abstract

*Alternative Rural Development is a conceptual paradigm shift of mainstream economic development of political economy or development economics. It is, to a larger extent, based on Social Welfare Model of Rural Development and Gandhian ideology of Development. The method, strategy and program endogenously designed for Social Justice, Equity and Self Reliance in any underdeveloped country in the third world is Alternative Rural Development. Endogenous sustainable and scientific resource distribution mechanism is Alternative Rural Development. This paper presents the literature review of the Alternative Rural Development paradigm. It gives information and academic inputs about social Justice, Equity, Self –Reliance and Third Worldism.*

**Key Words:** *Alternative Rural Development, Self -reliance, Social justice, Equity vs Equality, Third World.*

## Background

The study of economic development is one of the newest, most exciting and most challenging branches of the broader disciplines of economics and political economy after 1950. From the western economists' perspective, Adam Smith was first “Development Economist” and that his wealth of nations published in 1776, was the first treatise on economic development. However, the awarding of the 1979 Nobel Prize in economics to two eminent development economists, W. Arthur Lewis and Theodore Schultz, for their pioneering studies of the development process, provided confirmation of the status of economic development as a separate field within the economic discipline (Todaro & Smith, 2012). However, the economic development was or is not able to meet the entire requirements of people’s aspiration of development of the underdeveloped economy. Preoccupation with growth and its stages and with the provision of capital and skills, development theorists have paid insufficient attention to institutional and structural problems and to the power of historical, cultural and religious forces in the development process. The experience of the 1950s and 1960s, when many developing nations did reach their economic growth targets but the levels of living of the masses of people remained, for the most part, unchanged, signaled that something was very wrong with this narrow definition of development (Todaro & Smith, 2012). This new development economics is also known as alternative economics, to a greater extent than traditional neoclassical economics or even political economy, must be concerned with the economic, cultural and political requirements for effecting rapid structural and institutional transformations of entire societies in a manner that will most efficiently bring the fruits of economic progress to the broadest segments of their populations. It must focus on the mechanisms that keep families, regions and even entire nations in the poverty traps and breaking of the traps.

1 Dr. Badal is a visiting lecturer in Rural Development at Tribhuvan University and Head of Research Nepal

Economic development in addition to social, cultural and political dimension is alternative development that dominantly affects the rural societies. Thus Alternative Rural Development is not a purely economic phenomenon but it is a multidimensional process involving the reorganization and reorientation of entire economic and social system. As Adam Smith says, "No society can surely be flourishing and happy, of which by far the greater part of the numbers are poor and miserable". The Alternative Rural Development tries to answer the Smith's question. Endogenous sustainable Rural development, Gandhian Model of Rural development, social choice theory of Amartya Sen, David C Korten "People-Centric Development", Robert Chamber's "Putting the Last First", Salman's "Listen to the People", Serena's "Putting the People First" and Clark's "Think Locally act Globally against Think Globally act Locally" etc. are the finest ideologies of Alternative Rural development.

Alternative development has been concerned with alternative practices of development - participatory and people-centered - and with redefining the goals of development. Mainstream development has gradually been moving away from the preoccupation with economic growth toward a people-centered definition of development, for instance in human development. The alternative development is beyond the boundary of economic development.

This raises the question in what way alternative development remains distinguishable from mainstream development - as a roving criticism, a development style, and a profile of alternative positions regarding development agency, methodology, and epistemology (Pieterse, 2000). Thus alternative rural development is an alternative course of action to reduce rural poverty.

Increasingly the claim is that alternative development represents an alternative paradigm. This is a problematic idea for four reasons:

- i) Whether paradigms apply to social science is questionable;
- ii) In development the concern is with policy frameworks rather than explanatory frameworks;
- iii) There are different views on whether a paradigm breaks with conventional development is desirable; and
- iv) The actual divergence in approaches to development is in some respects narrowing (Pieterse, 2000).

It is the new paradigm of development. It is in function since the beginning of modernization. Still, the third world countries are underdeveloped. What are the reasons? It seems that all the theories of economic development have been impractical. So it must be redefined. Thus the epistemology and methodology of alternative rural development must be redefined.

There is a meaningful alternative development profile or package but there is no alternative development paradigm - nor should there be. Mainstream development is not what it used to be and it may be argued that the key question is rather whether growth and production are considered

within or outside the people-centered development approach and whether this can rhyme with the structural adjustment programs followed by the international financial institutions. Post-development may be interpreted as a neo-traditionalist reaction against modernity. More enabling as a perspective is reflexive development, in which a critique of science is viewed as part of development politics (United Nations, 2006). The package of new alternative development paradigm must be specific and problem-solving to reduce the rural poverty and sustainable livelihood.

There are different ways to perceive what alternative development is about and its role. It can be viewed as a roving critique of mainstream development, shifting in position as the latter shifts; as a loosely interconnected series of alternative proposals and methodologies; or as an alternative development paradigm, implying a definite theoretical break with mainstream development (United Nations, 2006). It can be viewed as concerned with local development, with alternative practices on the ground, or as an overall institutional challenge, and part of a global alternative. In many discussions, this question of the status and scope of alternative development remains unsettled (Pieterse, 2000). After around 16 years the concepts have been transferred. Sustainable Development Goals (SDG) up to 2030 has been published and Millennium Development Goal (MDG) has been achieved already.

A basic question is whether alternative development is an alternative way of achieving development, broadly sharing the same goals as mainstream development but using different means, participatory and people-centered. It would seem this way if we consider the enormous increase of development funds being channeled or rechanneled through NGOs during the past two decades (which now exceed the total annual disbursements through the IMF and World Bank). This suggests ample peaceful coexistence and continuity between mainstream and alternative development. Yet the usual claim is that 'alternative development' refers to an alternative model of development (Pieterse, 2000). Let us consider how this claim runs. Clearly should be people oriented and socially oriented.

In the 1970s dissatisfaction with mainstream development crystallized into an alternative, people-centered approach. 'What Now? Another Development', development should be: 'geared to the satisfaction of needs', 'endogenous and self-reliant' and 'in harmony with the environment' (Pieterse, 2000). Whether this was meant to be an alternative practice of development apart from the mainstream or whether it was also to change mainstream development was not quite settled. This approach has been carried further both under the heading of basic needs and of alternative development. Over the years it has been reinforced by and associated with virtually any form of criticism of mainstream developmentalism, such as anti-capitalism, green thinking, feminism, eco-feminism, democratization, new social movements, Buddhist economics, cultural critiques, and poststructuralist analysis of development discourse (Pieterse, 2000). It is the time to replace the traditional development economics to start a new alternative rural development. 'Alternative' generally refers to three spheres agents; methods and objectives or values of development. Alternative development is the terrain of citizen, or 'Third System' politics, the importance of

which is apparent in view of the failed development efforts of government and economic power. Often this seems to be the key point: alternative development is a development from below. In this context 'below' refers both to 'community' and NGOs (Pieterse, 2000). Alternative development revisits Community Development of the 1950s and 1960s. Community Development goes back to American social work which, via British colonialism, entered colonial development and in the 1950s supplemented modernization efforts. This genealogy accounts for the ambiguity of some terms such as 'participation (Pieterse, 2000)'. It is the green concept of people-centric rural development.

Alternative development is frequently identified with development-by- NGOs; but given the wide variety of NGOs, the equation 'alternative development is what NGOs do' would obviously be inadequate (Pieterse, 2000). NGO ideology is organization-led and too limited to account for alternative development, which involves distinctive elements with respect to development methodology (participatory, endogenous, self-reliant) and objectives (geared to basic needs).

Is saying that development must be undertaken from within and geared to basic needs an adequate way of redefining development? The alternative referred to is alternative in relation to state and market, but not necessarily in relation to the general discourse of developmentalism (Pieterse, 2000). It would be difficult to maintain that alternative development has developed a theory, although it represents a counterpoint to mainstream development. 'Another Development is as a combination of basic needs, self-reliance, sustainable and endogenous development (Pieterse, 2000). The heavy involvement of NGOs and INGOs in Rural development have increased the dependency, exogenous influences, and eradicated the innovations on endogenous production. Thus NGO led development strategy must be replaced on Social welfare mode of development. Green thinking about sustainability, a radical position, has long been institutionalized as 'sustainable development'. The informal sector, a twilight zone unnoticed by mainstream developers mesmerized by the state, has been embraced by development agencies. The accompanying message of deregulation and government roll-back beautifully dovetailed with the prevailing neoliberal outlook. NGOs, after decades of marginality, have become major channels of development co-operation (Pieterse, 2000).

In countries such as Mozambique and Bangladesh the resources of NGOs, domestic and international, exceed those at the disposal of the government. Women's concerns, once an outsider criticism, have been institutionalized by making women and gender preferential parts of the development package. Capacity-building, which used to be missing in conventional development support, is now built in as a major objective. Global conferences- in Rio, Vienna, Cairo, Copenhagen, Beijing, Istanbul - have been for the alignment of official and unofficial discourses (Pieterse, 2000). In other words, forms of alternative development have become institutionalized as part of mainstream development, and under some circumstances, have become or overtaken mainstream development to the point that mainstream alternative development (or MAD), might not be an odd notion. This turn of affairs is not incidental but a logical function of the way the overall development process is developing (Pieterse, 2000).

## Discussions

### a) Social Justice

The concept of social justice and its relevance and application within the present context require a more detailed explanation. The notion of social justice is relatively new. None of history's great philosophers—not Plato or Aristotle, or Confucius or Averroes, or even Rousseau or Kant—saw the need to consider justice or the redress of injustices from a social perspective. The concept first surfaced in Western thought and political language in the wake of the industrial revolution and the parallel development of the socialist doctrine. It emerged as an expression of protest against what was perceived as the capitalist exploitation of labor and as a focal point for the development of measures to improve the human condition (Hobsbawm, 1999). It was born as a revolutionary slogan embodying the ideals of progress and fraternity. Following the revolutions that shook Europe in the mid-1800s, social justice became a rallying cry for progressive thinkers and political activists (United Nations, 2006). A concept based upon the belief that each individual and group within a given society has a right to civil liberties, equal opportunity, fairness, and participation in the educational, economic, institutional, social and moral freedoms and responsibilities valued by the community is social justice.

By the mid-twentieth century, the concept of social justice had become central to the ideologies and programs of virtually all the leftist and centrist political parties around the world, and few dared to oppose it directly. Social justice represented the essence of the social democrat doctrine and left its mark in the decades following the Second World War (Todaro & Smith, 2012). Of particular importance in the present context is the link between the growing legitimization of the concept of social justice, on the one hand, and the emergence of the social sciences as distinct areas of activity and the creation of economics and sociology as disciplines separate from philosophy (notably moral philosophy), on the other hand (Hobsbawm, 1999). Social justice became more clearly defined when a distinction was drawn between the social sphere and the economic sphere, and grew into a mainstream preoccupation when a number of economists became convinced that it was their duty not only to describe phenomena but also to propose criteria for the distribution of the fruits of human activity (United Nations, 2006). Social justice is the process through which society attains a more equitable distribution of power in the political, economic and social realms.

The application of social justice requires a geographical, sociological, political and cultural framework within which relations between individuals and groups can be understood, assessed, and characterized as just or unjust. In modern times, this framework has been the nation-State (United Nations, 2006). The country typically represents the context in which various aspects of social justice, such as the distribution of income in a population, are observed and measured; this benchmark is used not only by national governments organizations but also by international organizations and supranational entities such as the European Union. At the same time, there is clearly a universal dimension to social justice, with humanity as the common factor. Slaves, exploited workers, and oppressed women are above all victimized human beings whose location

matters less than their circumstances. This universality has taken on added depth and relevance as the physical and cultural distance between the world's people have effectively shrunk (United Nations, 2006). Distribution of the social and economic resources of society for the benefit of all people is social justice.

Social justice is the equivalent of distributive justice. It is typically taken to mean distributive justice. The terms are generally understood to be synonymous and interchangeable in both common parlance and the language of international relations. The concept of social/distributive justice is implied in various academic and theoretical works and in many international legal or quasi-legal texts (such as the Charter and Universal Declaration) that may only include broad references to "justice". In certain international instruments, including the Copenhagen Declaration and Program of Action adopted by the World Summit for Social Development in 1995, references to social justice are more explicit. In the tone-setting first chapter of *A Theory of Justice*, a masterpiece published in 1971, John Rawls refers on several occasions to the "principles of social justice" when formulating his two "principles of justice" (United Nations, 2006). Social justice is treated as synonymous with distributive justice, which again is often identified with unqualified references to justice, in the specific context of the activities of the United Nations, the precise reasons for which may only be conjectured.

United Nations has essentially from the beginning separated the human rights domain from the economic and social domains, with activities in the latter two having been almost exclusively focused on development. Issues relating to the distributive and redistributive effects of social and economic policies—issues of justice—have therefore been addressed separately from issues of rights, including those inscribed in the International Covenant on Economic, Social and Cultural Rights. The unfortunate consequences of this dissociation must be acknowledged (United Nations, 2006). To support the concept of social justice is to argue for a reconciliation of these priorities within the context of a broader social perspective in which individuals endowed with rights and freedoms operate within the framework of the duties and responsibilities attached to living in society.

Notwithstanding the implied associations between social justice, redistributive justice, and justice as a more general concept, the fact is that the explicit commitment to social justice has seriously deteriorated; over the past decade, the expression has practically disappeared from the international lexicon and likely from the official language of most countries. The position will be taken here that the United Nations must work to try to restore the integrity and appeal of social justice, interpreted in the contemporary context as distributive justice. Returning to the Charter, it may be argued that while not explicitly stated, justice among people and for the entire world's people is fundamental rationale. As noted earlier, these priorities fall under the heading of international justice, whereby Governments are compelled to represent and serve their populations and act in their best interest, without discrimination, and the sovereign equality of all States is respected (United Nations, 2006).



In the Preamble to the Charter, the commitment to justice for people is expressed as a reaffirmation of “faith in fundamental human rights, in the dignity and worth of the human, [and] in the equal rights of men and women”. It requires the promotion of “social progress and better standards of life in larger freedom” and of “the economic and social advancement of all people”. It underlies the third stated purpose of the United Nations (after maintaining peace and friendly relations among nations), which is “to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion” (United Nations, 2006).

In short, justice derives from equality of rights for all peoples and the possibility for all human beings, without discrimination, to benefit from the economic and social progress disseminated and secured through international cooperation (United Nations, 2006).

Economic justice is a component of social justice. It is defined as the existence of opportunities for meaningful work and employment. The dispensation of fair rewards for the productive activities of individuals, will be treated here as an aspect of social justice. The customary distinction between economic justice and social justice is intellectually unsatisfactory, as it serves to legitimize the dichotomization of the economic and social spheres. This tendency can seriously limit the potential for the advancement of justice, particularly within organizations that exercise a normative function with regard to matters of development (Todaro & Smith, 2012).

One reason for the decline in “social” orientations is the failure to adopt a comprehensive perspective on what the concept encompasses. As asserted later, support for the idea of social justice has gradually diminished because its advocates and practitioners have neglected one of its essential dimensions which are for individuals to have the opportunity to exercise their initiative and use their talents to be fairly rewarded for their efforts. To acknowledge the necessity of viewing economic justice as an element of social justice is, again, to argue for a social perspective on human affairs. Economic justice is one among many interrelated dimensions of life in society. It is suggested here that the distributive and redistributive aspects of justice do not have to be separated or perceived as antagonistic (United Nations, 2006). The social sphere has in many respects been marginalized.

Universal grounds for the determination of what is just and what is unjust. Individuals, institutions, Governments and international organizations make judgments about what is just and what is unjust based on complex and generally unformulated frameworks of moral and political values. Such frameworks vary considerably across cultures and over time, but through the centuries prophets, philosophers and other intellectuals have repeatedly attempted to identify common ground that would allow all human beings in their own and in successive generations to agree on definitions of right and wrong, good and bad, just and unjust. It is often said that all great religions and philosophies embody the same core principles and values, and beyond the different metaphysics and institutional settings, reflect the same belief in the capacity of human beings to make moral

judgments and to seek perfection in some form (United Nations, 2006). Progress was originally a spiritual concept and was only later applied to the fruits of human technical ingenuity. The same is true for the notion of justice, which has retained much of the timeless immanence deriving from its religious roots. The United Nations is an outgrowth and an expression of this quest for the universal, of this purposeful search for a common humanity. Notions such as human nature and natural law have found expression in the more modern concepts of the “social contract” and “social compact”. To give justice among individuals and nations a more tangible character and contemporary relevance, the United Nations has used the language of rights, and of equality, equity and inequality, in reference to both positive objectives to be pursued and negative situations to be corrected (United Nations, 2006).

### **b) Equity versus Equality**

There are three areas of priority with regard to equality and equity highlighted in the Charter of the United Nations; the Universal Declaration of Human Rights, the International Covenants on Human Rights, and in subsequent texts adopted by the General Assembly, notably the Copenhagen Declaration and Program of Action and the United Nations Millennium Declaration (United Nations, 2006). They include the following:

Equality of rights, primarily implying the elimination of all forms of discrimination and respect for the fundamental freedoms and civil and political rights of all individuals. This represents the most fundamental form of equality. As stated in article 1 of the Universal Declaration, “all human beings are born free and equal in dignity and rights”, and article 2 is even more specific: “Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, color, sex, language, religion, political or another opinion, national or social origin, property, birth or another status (United Nations, 2006).”

### **c) Equality of opportunities**

Interpreted restrictively, this form of equality is akin to equality of rights and means “simply” that societies and Governments refrain from discrimination and allow individuals to freely pursue their aspirations and develop and apply their talents within the moral and legal limits imposed by respect for the freedom of others (United Nations, 2006). Thus, it is often identified with justice and, in the sense described above, more precisely with economic justice. Support for this objective has been linked to the emergence of the laissez-faire doctrine, and from a philosophical perspective, this aspect of equality is very close to liberalism and utilitarianism.

Interpreted more broadly, equality of opportunities is linked to deliberate action, in particular, the application of public policies, to correct and offset the many “unnatural” inequalities that separate individuals from different socio-cultural backgrounds and milieus. With this leveling of the playing field, the financial and social success of individuals is largely determined by their natural talent, character, effort, and level of ambition, along with a certain measure of chance or fate. Meritocracy is the logical outcome. Policies focusing on health, education, and housing



are traditionally seen as particularly important for ensuring equality of opportunities. In political philosophy, this approach relates to the tradition of the social contract and is a critical aspect of social justice, as understood within socialist and social democratic conventions (United Nations, 2006).

Equity is living conditions for all individuals and households. This concept is understood to reflect a contextually determined “acceptable” range of inequalities in income, wealth and other aspects of life in society, with the presumption of general agreement with regard to what is just or fair (or “equitable”) at any given time in any particular community, or in the world as a whole if universal norms are applied. This shift in terms from equality to equity, derives from the fact that equality in living conditions has never been achieved in practice (except on a very limited scale by small religious or secular communities). It has never been seriously envisaged by political theorists or moralists (except in the context of describing attractive—or more often repulsive—utopias), and is today commonly perceived as incompatible with freedom (United Nations, 2006).

The pre-Marxist ideal— “from each according to his ability, to each according to his works”— would need to be applied, and for a very long time, within post-revolutionary societies. The truly egalitarian Marxist principle—“from each according to his capacities, to each according to his needs” —would only prevail (with any success) in the distant and quasi-utopian “end of history” referred to in communist theory (United Nations, 2006).

In short, equity is the most logical reference point in determining what is just and what is unjust with regard to living conditions and related matters within society. The lack of objective indicators makes this a daunting task, however. What constitutes the equitable distribution of income among social classes, occupations and age groups? From which perspective and on which basis are various manifestations of equity and inequity being assessed? What are the universal norms that allow the United Nations and other international organizations to make judgments and offer advice on the equitability of living conditions around the world (United Nations, 2006). So, Equity is an inherently vague and controversial notion. Nonetheless, it is a pervasive preoccupation in all societies, both affluent and poor. Every society, even the laissez-faire variety, has engaged in the distribution and redistribution of income and wealth in some form, with policies generally favoring the poorest but sometimes benefiting the richest. It is for this reason that issues of equity in living conditions remain central to the dialogue and debate on social justice (United Nations, 2006).

Listed roughly in descending order in terms of their relative importance and in ascending order in terms of how difficult they are to measure; the highlighted areas of inequality are as follows:

Inequalities in the distribution of income. The distribution of income among individuals or households at the local or national level based on classifications such as socio-economic status, profession, gender, location, and income percentiles. It is the most widely used measure of the degree of equality or inequality existing in a society. Though the statistical difficulties, particularly with regard to cross-country comparisons, cannot be overemphasized, the distribution of income

is relatively amenable to measurement, and if the resulting data are interpreted correctly and sufficient prudence is exercised. Any problems that may arise are generally surmountable. With the availability of an income, individuals and households acquire the capacity to make choices and gain immediate access to a number of amenities. For most contemporary societies, income distribution remains the most legitimate indicator of the overall levels of equality and inequality (United Nations, 2006).

**i. Inequalities in the distribution of assets, including capital as well as physical assets such as land and buildings:**

There is normally a strong positive correlation between the distribution of income and the distribution of assets. Data from a variety of sources are generally available to governments or independent statistical offices wishing to document what has traditionally been both a determinant of social status and political power and a source of political upheaval and revolution. As stated in article 17 of the Universal Declaration of Human Rights, “everyone has the right to own property alone as well as in association with others”, and “no one shall be arbitrarily deprived of his property” (United Nations, 2006).

**ii. Inequalities in the distribution of opportunities for work and remunerated employment:**

In both developed and developing countries today, the distribution of work and employment opportunities is the main determinant of income distribution and a key to economic and social justice. The distinction between work and employment is important; “work” encompasses all independent economic activities and what is called the spirit of entrepreneurship (an element of which is the creation of small and medium-sized enterprises), and more generally the economic opportunities offered by society to all those who wish to seize them.

Statistics on the distribution of employment opportunities and unemployment are more readily available than data on, for instance, the proportions of young people from different socio-economic backgrounds who have managed to secure bank loans to start their own enterprises (Pieterse, 2000). As economies continue to diversify and become more and more service oriented, this sort of information will be increasingly useful. At the same time, the United Nations and its agencies, in particular, the International Labor Organization (ILO), cannot ignore the fact that the vast majority of people in the world work in order to survive. Discrepancies in working conditions among those in different professions and social groups, including immigrants, constitute part of this item (United Nations, 2006).

**iii. Inequalities in the distribution of access to knowledge:**

Considered in this context are issues relating to levels of enrolment in schools and universities among children from different socio-economic groups, as well as issues linked to the quality of educational delivery in various institutions and regions (Pieterse, 2000). Education, including technical training and adult education, is critical for ensuring access to decent work and for social

mobility, and in most societies is a strong determinant of social status and an important source of self-respect. Because schools and universities are no longer the only dispensers of knowledge, and in the light of the emergence of new learning modes and tools such as the Internet, access to various technologies is also considered in assessing education-related inequalities. Although the distinction between information and knowledge remains valid and relevant, a number of statistical publications now present certain types of data together, including, for example, gender-disaggregated statistics on the ownership of television sets, book acquisitions, and primary and secondary enrolment ratios (United Nations, 2006).

#### **iv. Inequalities in the distribution of health services, social security and the provision of a safe environment:**

Traditional indicators of well-being such as life expectancy and child mortality rates, broken down by gender, socio-economic status, and area of residence, are typically used along with other data to identify and measure inequalities in the distribution of amenities all societies Endeavour to provide for their members. As is the case with education, issues relating to the availability, quality, and accessibility of health and social services and facilities are critical but are difficult to analyze and measure.

As stated in article 22 of the Universal Declaration of Human Rights, “everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international cooperation of the economic, social and cultural rights indispensable for his dignity and the free development of his personality”. Social security, now often limited to social protection and safety nets, was a core component of the welfare state model adopted by countries around the globe after the Second World War. The sources of financing for social security benefits and the distribution of such benefits within a community remain pressing issues (Pieterse, 2000).

Moving on to the last item, the right to a healthy and pleasant environment, not polluted by uncontrolled or predatory human activities, is considered by its proponents to constitute part of the third generation of human rights (the first generation having comprised civil and political rights and the second generation economic, social and cultural rights). Pollution generated continuously by unregulated commercial activities and more dramatically and catastrophically through incidents such as the Chernobyl and Bhopal disasters, does not choose its victims. It is nevertheless true that rich and poor people have an unequal capacity to ensure a safe environment (Singh, 2015).

Differentials in personal security and safety could also logically be placed under the heading of inequalities in the provision of a safe environment. Crime, in its many forms, is growing in most societies, and groups at the lower end of the socio-economic scale continue to be disproportionately affected. The suffering and losses associated with internal conflicts and wars are also very unevenly distributed; it should be noted that the Forum hesitated on whether to place this increasingly critical issue here or in the next and last category (United Nations, 2006).

## **v. Inequalities in the distribution of opportunities for civic and political participation:**

This form of inequality is rarely discussed in international circles, perhaps because of its inherent complexity and sensitivity, and perhaps also because the practice of democracy is usually limited to the holding of elections; those who vote in presidential and parliamentary elections are implicitly considered participants in political life (Singh, 2015).

Involvement in the electoral process notwithstanding, the Forum asserted that inequalities and inequities associated with political institutions and processes were key factors contributing to inequalities and inequities in society more generally. The way power is organized and distributed among society's various institutions and the manner in which political processes are carried out have a profound influence on how citizens see and find their place on the social ladder and within in the social fabric. This does not mean that the unequal distribution of political power is always the direct cause of other forms of inequality. Simple cause-effect relationships do not explain this highly complex phenomenon in which personal and social factors are intertwined. It is generally acknowledged, however, that the distribution of power and how it is exercised by those who have it are at the core of the different forms and manifestations of inequality and inequity (United Nations, 2006).

### **d) Self-reliance**

While dependency theory privileges the nation-state, post-development privileges the local, the grassroots. Post-development's faith in the endogenous resembles strands in modernization and dependency theory - witness the recurrent invocation of self-reliance. Like some forms of alternative development, post-development involves populism, seasoned by an awareness of the articulation effect; yet striving for a new Ethno development may clash with eco-development, or may take an ethnic nationalist turn. Self-Reliance may require economies of scale which clash with ethnic development. Feminism may clash with indigenous culture and so on (Pieterse, 2000).

Running the risk one might say that the kind of world in which alternative development works is a world that does not need it. Post-development's faith in the endogenous resembles strands in modernization and dependency theory witness the recurrent invocation of self-Reliance (Pieterse, 2000). Self-Reliance is the ideology of Gandhian Model of Rural Development. Gandhism is the principle ideology of Self Reliance. According to Gandhi, there should be village republic freedom, endogenous production, and physical labor to produce food grains and clothes. Everyone should have an equal right to natural resources and land should not be bought and sold as private property. As is clear from the above table Gandhian economic goals are not materialistic or individualistic but ethical-spiritual and community oriented. It is clear that this approach, though unacceptable and revolting to the mainstream economists, is thoroughly consistent with Gandhi's vision of a new humanity (Singh, 2015).

“My idea of village *Swaraj* is that it is a complete republic, independent of its neighbor for its vital wants, and yet interdependent for many others in which dependence is a necessity. Thus every

villager's first concern will be to grow its own food crops and cotton for its cloth. It should have a reserve for its cattle, recreation, and playground for adult and children. Then if there is more land available, it will grow useful money crops, thus excluding ganja, tobacco, opium and the like. The village will maintain a village theatre, school, and public hall. It will have its own waterworks ensuring clean supply (Singh, 2015).

This can be done through controlled wells and tanks. Education will be compulsory up to the final basic course. As far as possible every activity will be conducted on a co-operative basis. There will be no castes such as we have today with their graded untouchability. Nonviolence with its technique of Satyagraha and non-cooperation will be the sanction of the village community. There will be a compulsory service of village guards who will be selected by rotation from the register maintained by the Panchayat of five persons, annually elected by the adult villagers, male and female, possessing minimum prescribed qualifications. This will have all the authority and jurisdiction required. Since there will be no system of punishments in the accepted sense, this Panchayat will be the legislature, judiciary and executive combined to operate for its years of office" –Mahatma Gandhi (Singh, 2015)

Notwithstanding the controversial aspects of the Gandhian model, one can hardly deny its relevance in the current turbulent and violent-prone societies. It is the right time to adopt the Gandhian model in the interest of 84 crores of the rural population. Hence, our rural development policies are to be given shape through the prism of Gandhian rural reconstruction. What we need today is to devise a new model of economic development based on the Gandhian ideology (Singh, 2015).

The other emphasis was a curb on consumption as excessive consumption causes pressure on resources and adds to wastage and pollution. His thought-provoking statement, 'there is enough on this earth to meet the need, but not the greed' has now become a universal slogan for ensuring environmental protection and sustainable development. The Gandhian model of development can provide solutions to our rural problems which are linked to the basic needs of the people, such as 'Anna' (livelihood), 'Akshar' (literacy), 'Arogya' (health) and 'Acharan' (moral values). While the development programs should aim at meeting these needs, it is essential to blend these activities with 'Dharam' not any particular religion but the essence of all religions along with a focus on moral values 'Acharan' (Singh, 2015). In the absence of moral values, particularly nonviolence, an addiction to gambling, drugs and alcohol and marital discord, the development may shape our future generations as demons, instead of citizens of a civilized society. If one can insist on adopting moral values, it will be easy to curb one's greed and with sincere efforts, there will be no difficulty in meeting one's needs (Singh, 2015).

### e) **Third Worldism**

The result was the political inferiority of the Third World States, large or small, compared with those of the First World, as is shown by the relations between the United States and Mexico and between Great Britain and China up to 1949 (Hobsbawm, 1999). Up to the mid- 20th century, only

one Third World State –Japan, which had successfully imitated the West– was able to escape from this inferiority and thus become part of the global power system (Hobsbawm, 1999). Gradually identity of the third world is changing the level of development and identity of the country.

The third World States, or the Third World as a whole, could only offset this permanent inferiority with the support of one of the world powers. This was the function of the Soviet Union during the Cold War. The most extreme case is that of Cuba, which has survived as a Communist regime only 170 miles from Key West, thanks to the direct support of the Soviets. The end of the Cold War did away with this counterweight to the power of the developed world in general and the United States in particular (Hobsbawm, 1999). Poor countries of Asia, Africa and Latin America in a single identity for richer countries are the third world.

The third worldism increased spectacularly, especially during the Cold War during the 19th century and much of the 20th century. We know that after the end, or withdrawal, of the old empires of the 16th to 18th centuries the sway of the First World increased, but the incentives to turn areas of the under-developed world into colonies went down during the 19th century, with a few notable exceptions.

The example of Great Britain shows that the purely economic exploitation of the Third World did not require direct occupation, at any rate in the absence of another Western competitor. This was the “free trade colonialism” about which so much has been written. However, Great Britain naturally maintained a network of bases which were of strategic importance or were necessary in order to allow it to keep on controlling the international sea routes (Hobsbawm, 1999). At the time of colonialism and cold war, the world was divided into two groups as American Democrats and Soviet Socialists. Except that other remaining country used to be pronounced as the third world.

Thus, economically speaking, the international economy can no longer be considered as being divided simply between a First World concentrating most of the production and marketing of industrial goods and a Third World linked with the former as a producer of raw materials, although possessing an industrial sector based on the domestic market, as for example through import substitution (Hobsbawm, 1999)

Today, the Third World includes the fastest-growing industrial economies and the most export-oriented industry. As long ago as the late 1980s, over 37% of United States exports already came from the Third World, while almost 36% of its exports went to the latter (Hobsbawm, 1999). International non-governmental organizations (INGO) have contributed in several countries to promote democracy, safeguard human rights and improve the socio-economic status of people. However, they have also courted controversies. The case is a point in Nepal. As the Himalayan country made its transition from being a kingdom to a democracy, several NGOs, including many international ones, started working in the country. And a section of them has raised suspicion because of their lack of transparency and their service-delivery mechanism. Nepal is not the only place where INGOs have come under scrutiny



Russia banned many such organizations, which draw funds from abroad. Many were labeled foreign agents and draconian powers were vested on government authorities to ban them. Also, there are provisions to freeze their bank accounts, expel their employees and even imprison them for up to six years (Pieterse, 2000). The resurgence of colonialism at the end of the 19th century –the so-called “new imperialism”– was due mainly to competition between the rival Western States. It is worth recalling, however, that this was a period when, for economic and technical reasons, a number of raw materials and commodities which are mainly found in the Third World became vitally important and continues to be so: oil, non-ferrous metals, rubber, and various tropical foodstuffs. These goods caught the attention of Western businessmen and also, as some of them were of strategic importance, of governments too (Hobsbawm, 1999). A British Parliamentary Committee criticized some INGOs for unfair practices, especially in corrupt societies. Pakistan last year shut down 'Save the Children' on allegations of anti-social activities. According to Indian intelligence report in 2014, Greenpeace India and several others posed a threat to economic security. The Government of India canceled the registration of 10,117 NGOs last year. Some, including Ford Foundation, was put on a watch list for violating legal norms (Pieterse, 2000).

An elementary distinction runs between structuralist and normative approaches to develop alternatives for development. structuralist approaches, such as dependency theory and the global Keynesian reformism of the new international economic order, emphasize macroeconomic change, whereas alternative development emphasizes agency, in the sense of people's capacity to effect social change. In addition, dependency critiques of main-stream development do not usually question development per se but only dependent development (or underdevelopment) (Pieterse, 2000).

INGOs have made a substantial contribution to the developing country by generating jobs, empowering women, protecting the environment, controlling AIDS and drug abuse, helping children, youth and those who are especially able and making progress in education and health. But despite the presence of so many INGOs, Nepal remains one of the poorest countries, with a per capita income of about \$700. The number of NGOs registered with Nepal's Social Welfare Council (SWC), the country's apex body for the promotion, coordination, monitoring, and evaluation of NGOs has rocketed to nearly 4,000 from 253 in 1990. Among them, there are about 190 INGOs. After the April 25, 2015 earthquake, many have entered Nepal. According to recent media reports, INGOs misuse their mandate due to the lack of adequate rules, regulations and a weak monitoring mechanism. Many development projects, including the Arun III Project - in which the World Bank was expected to invest - and the 6,000-MW Nepal-India joint venture, Pancheshwar Multi-purpose Project, also had to be stalled due to opposition from the INGOs. Several of them have faced allegations of not being transparent about their funding and disbursement of those funds, and of utilizing money earmarked for a particular sector in other activities (Badal, 2016).

Some have also been accused of disturbing the harmony between communities and spoiling Nepal's relations with other countries. The government has, at times, been serious in curbing

suspicious activities. But there are also reports of political intervention when authorities try taking actions. Perhaps, this has helped INGOs grow deep roots among politicians, senior bureaucrats, and other influencers. The responsible section in Nepal needs to keep an eye on organizations involved in illegal activities. If they have a nexus with politicians, it needs to be exposed. All INGOs are not irresponsible. Nepal's policy should be to reward organizations that deliver on the ground and reprimand those that work otherwise. If the problem is not addressed now, there may be serious security repercussion in the future.

It has increased the dependency seriously. If NGOs function as the way now another half a century we cannot find the goal of development. It has seriously paralyzed the people. NGOs have made and prove that Nepalese do not want to work they just want dollars and donation. There is serious research gap in this sector. We can get lots of research base reports prepared by NGOs to their headquarters but not any special academic research. It is the study to the identification of the turning point or paradigm shift of NGO mechanism in Nepal. Conclusively NGOs must turn into social welfare organizations from the self-sustainable approach of fund generating and disbursement avoiding the foreign donations. Finally, NGOs are limited within the specified beneficiaries, NGOs are contractors, NGOs are units of Post Modern Imperialism, NGOs are diverted from its original philanthropic charitable work to contemporary project management and NGOs are Budget Consumption Mechanism critically (Badal, 2016).

## **Conclusion**

Simply to hatch a chicken it needs internal endogenous and external exogenous environmental inputs same as on Rural Development. American input for Nepali output will be a tragedy. In the field of development, we are sharing our global experts is the reason of underdevelopment from last five decades. Justifiable Resource Distribution, self-reliance of the local village, equitable justice at the local level with local indigenous knowledge in the underdeveloped economy is Alternative Rural Development. It is just an ideology of Small is Beautiful and Local is Most Important. Gandhian Ideology and Social Choice Theory of Amartya Sen is more applicable in Nepalese Alternative development discourses.

## **References**

- Badal, B. P. (2016). NGOs in rural development: A critical analysis. *Janabhawana Research Journal Vol.1 Issue 1*, 8-15.
- Hobsbawm, E. (1999). The first world and third world after the cold war. *CEPAL Review* 67, 7-14.
- Pieterse, N. (2000). My paradigm or yours? Alternative development, Post-development, Re-exive development. *Development and Change Vol. 29* 343-373.
- Singh, P. (2015). Gandhian Model for Rural Development: Relevance after Economic Reform. *Economics Research Papers, Vol. 5 Issue 8*, 454-456.



Todaro, M. p., & Smith, S. C. (2012). *Economic Development*. New Delhi: Pearson Education Ltd.

United Nations. (2006). *Social Justice in an Open World: The Role of the United Nations*.

Newyork: UN: Division for Social Policy and Developent.

## 2. SOCIO ECONOMIC IMPACT OF UNDECLARED BLOCKADE OF INDIA ON NEPAL

- Bhuwaneswor Pant<sup>2</sup>

### Abstract

*Indian unofficial or undeclared blocked was a terrible move. It was a move on the part of Indian diplomacy. India imposed it, it was very transparent but not acceptable. Diplomacy is getting thing done without speaking or telling nastiest words in nicest manner. What had happened in southern border of Nepal? What was Indian's role? The study attempts to find out the reason of undeclared blocked of 2015 and identify the socio economic impact of this blocked imposed during the dark days of great earthquake in Nepal. Can a neighbor do so? India did it but did not speak a single word. The study has been conducted to analyze the impacts of the issue. Library method and comparative review methods were applied to analyze the impacts it had on Nepal. They tried to minimize the Chinese Communists influences but the move was wrong. So, Nepalese citizens cast their vote to elect communist parties with full majority. Indian policy was concentrated on causing instability in Nepal. Nepalese diplomacy proved to be ineffective to put pressure on Indian government for amending the Sugauli Treaty and the Treaty of 1950 as well as addressing controversy over Kalapani, Susta and Lipulek. At the time of election, all the political parties raised the issue against India as KP Oli did and successfully won the election. The pain of blockade is not forgotten in the name of improving bilateral relations.*

**Key words:** *Nepal India Relations, Socioeconomic Impacts, blockade*

### Introduction

The socio economic impact is the study of causes and consequences of a phenomenon that directly or indirectly affects the human life. The phenomena or related issues of a particular event happens everyday life. Rain falls so what it increases the agricultural productivity in the meantime it may occur a big flood that havocs many lives. The cause is simply the rain and the consequences are productivity as well as the devastating flood. A cause produces either positive or negative impact in society. The rain is good most of the time but bad in some time. If it is good its consequential impact in society will be positive and vice versa. Impacts are potential changes caused – directly or indirectly, in whole or in part, for better or for worse– by different activities. Socio-Economic Impact analysis is often a component of Environmental Impact Statements (EIS) for major development projects. Socio-economic impacts studies include: qualitative community impacts such as project educational and quality of life benefits; project competitive impacts; and the impacts considered in EIS such as population, demographics, land use and economy. However, the case on this study is political and diplomatic.

The unofficial blockade which began around September 2015 has led to a severe humanitarian crisis here in Nepal. Traditionally a blockade was a method of economic warfare as it affected

2 Mr. Panta is a PhD scholar and involved in teaching

the relations between blockaded belligerent and neutrals. It was one of the tools employed by neutral countries to maintain their neutrality (INHURED, 2016). Post 19th century there have been very few practices of economic blockades, and most of them are directed against military operations and armed forces instead of the economy. But in the present Nepalese context, blockade is being used as an underhanded tool for continuing the rebellion by the “Madhesis” and as way of controlling the economy by the Indian Government. Hence, the present blockade can be analyzed as a two pronged attacks on the economy; 1st the border blockade done by the agitating parties here in Nepal ; and 2nd the 3 Indian Government withholding necessary supplies like fuel (INHURED, 2016).

Nepal is a central commercial point of India and china. Nepal is attracting the world from Mt. Everest – the head of the world, and watching the world with full of love and compassion from Lumbini – Buddha's Eye. Both India and China are enjoying its natural beauty and cultural philosophy of Buddhism and Hinduism, however it is secular democratic republic country surrounded three sides by India and one side from China.

As Nepal has 80% Hindus and 10 % Buddhists Nepal is very close to India from socio cultural perspective, on the other hand China is very far from geographically, linguistically and Tibet issue. Many communist leaders want to attract China in mainstream as India is in, but China is indifferent in internal issues. Nepal is a safe buffer zone for both of them. India's influence is very high in Nepal and China feels insecure with Nepalese diplomacy. Ironically India is very close to Nepal from social, cultural, geographical, political and linguistic perspective but it has imposed blocked many times. India has imposed border blockade at four times (2019, 2027, 2045, and 2072) in the history causing crisis in bilateral relationship. The close alley is kicking the goal. India's diplomacy to Nepal shows the influence of game theory and conspiracy theory to win the blocked game. Nepal has got the point but it is not able to convince the consequences to China. India did it but still not accepting it.

United Nations – On 11 November, Secretary-General Ban Ki-Moon reiterated his "concern over the obstruction of essential supplies on the Nepal-India border. Acute shortages in fuel supplies continue to impede planned deliveries to earthquake-affected villages in Nepal," said spokesman Stephane Dujarric. "The Secretary-General underlines Nepal's right of free transit, as a landlocked nation as well as for humanitarian reasons, and calls on all sides to lift the obstructions without further delay." Similarly, Bangladesh – On 18 October, Tofail Ahmed, Minister of Commerce, Bangladesh, a supporter of India's South Asia trade policies, urged an end to the blockade and commented that such blockades hit at agreements like the BBIN.

European Union – On 24 October, Jean Lambert, MEP and Chair of the European Parliament Delegation to South Asia, stated the unofficial 'blockade' at the Nepali border only serves to hurt the Nepali people who are still recovering from the devastating earthquakes earlier this year.

The economic growth outlook, which was getting weakened on account of strike in the Southern parts of the country since the first month of the current fiscal year, further deteriorated owing

to unofficial economic blockade imposed by India. The blockade on the import of essential commodities such as medicines, food grains and petroleum products has made public life miserable. So is the case of developmental projects which remain stalled on account of shortage of fuel and necessary raw materials (NRB, 2016).

According to a report carried by The Indian Express on 23rd September 2015, India proposed a seven-point amendment to Nepal's Constitution to resolve the ongoing unrest in Terai/Madhes. These amendments were almost similar to the demands of the Madhesi front. The Indian Ministry of External Affairs (IMEA) refuted the media report, saying that it did not propose any amendment. However, The Indian Express stood by its report that India communicated these amendments/changes conveyed to the Government of Nepal (MASUM, 2016).

Due to the disruption, the lives of the people of Nepal have become miserable. School students, college students and office goers have not been able to reach their destinations due to paucity of public transports, which is not operating regular services due to non-availability of fuels. Patients do not get medical care due to scarcity of medicine. People residing nearby Panitanki can arrange their daily requirements, though at a higher cost. But the people in the remotest part of Jhapa district and other adjoining districts are in acute distress. There were no reported incidents of violence or political protests in this part of Nepal. Why the administration of the Indian Government took the stand to either halt or slow down the movement of vehicles is a real mystery for the Nepali authorities (MASUM, 2016).

### **Objectives/ Methodology/ Review**

The objective of the study is to find out the reason of undeclared blocked of 2015 and to identify the socio economic impact of this blocked on the cold days of great earthquake in Nepal. India did it but did not speak a single word. To analyze the impacts of the issue the study has been conducted.

Library Method: the study has been conducted through the library method reviewing the wide range of research, articles and reports.

Comparative Review Method: comparative review method is the method of comparing reviews. Different reviews are compared from Indian and Nepali sides to analyze the socioeconomic impacts of unofficial blocked.

### **Discussion**

#### **a. Chronology of Blockade**

The 1970 Blockade: In 1970, a dissatisfied India obstructed the movement of goods into Nepal after the latter built the Araniko Highway linking Kathmandu with China, and opened Tatopani as a trade route with the northern neighbor. Even though the economic blockade of 1970 was for the short period of time, it had created a problem in smooth supply of some commodities like

salt, spices products in the country as Nepal was dependent for these products on India (Subedi, 2016). The first obstruction occurred during 1969 after the expiration of the 1950 Trade and Transit Treaty; where the Indian government imposed quantitative restrictions on cross border transactions. The extent, to which Nepal's economy was affected, is however unclear given the lack of quantitative figures during the time-period. Nonetheless, the impact on the economy was not as pronounced as the current situation given the brief duration of the blockade, adequate food production with net exports in agriculture, and minimal consumption of petroleum products; due to a fewer number of transport vehicles, prevalent traditional methods of wood-fire cooking and fewer number and degree of institutions (such as banks, schools, and various other service companies) and interlink-age between them (Shakya & Bhattarai, 2016).

The 1989 Blockade: On the pretext of buying a batch of Chinese Weapons, The Indian blockade which started from April 1989 lasted for about 15 months had created shortages of essential commodities like food products, salt, oil, spices including the supply of petroleum products (Subedi, 2016). The 1989 blockade also emerged following the expiration of the trade and transit treaties, which by this point had been separated into two different treaties i.e. Treaty of Trade and Treaty of Transit. The geopolitics surrounding the impasse spanned over decades with multiple instances of friction especially observable after 1975. During early to mid-seventies several notable events occurred including Late King Birendra's ascendancy to the throne, partition of Pakistan and annexation of Sikkim. Following these events, a proposition was made to declare Nepal as a "Zone of Peace" which India refused (Shakya & Bhattarai, 2016).

This Economic Blockade was an extreme inhuman practice which India will regret sooner or later. The fundamental rights of Indian as well as Nepali people were violated and the interesting thing is Judicial Action has not been taken till date. This kind of practice by India time and again questions the existence of India as a good neighbor. This blockade has made the people of Nepal think that Nepal is India locked rather than Landlocked (Subedi, 2016).

### **b. Socio-economic Impacts**

There was a four-month long blockade on the Indo-Nepal border that began immediately after Nepal adopted a new Constitution on September 20, 2015. The blockade was along Nepal's southern border with India, covering the Madhes or Terai region. The flow of goods and fuel to Nepal was choked at border check points. This resulted in one of the worst humanitarian and geo-political crisis in the region as fuel, medicines and other essential items of daily life could not reach Nepal from India (SAHR, 2016). It has seriously increased the anti-Indian sentiment in Nepal. The blockade was an extreme form of protest with complex consequences, including grievous harm to the weakest and poorest sections of Nepali society and alienating communities the protestors should have been making common cause with. Yet, judging it a failure as a tactic should not substitute for a careful assessment of what is in effect a social movement in the Tarai (ICG, 2016). It is not the issue of Tarai but it is the issue of politics.

Education: The continuous blockade by India has directly hit the entire academic sector, compelling

shutdown of schools. The fuel crisis has affected millions of students, including around one million school students in the Valley alone. As informed by Lachhe Bahadur KC, President of Private and Boarding Schools' Organization Nepal, of the 2000 private schools operating in the Kathmandu Valley, about 80 per cent have been closed as they faced difficulty to ferry students and teachers to and from schools. UNICEF estimates that more than 1.6 million children in the nine districts in the central and eastern plains alone have been deprived of schooling following the unrest in the Terai as schools in Terai have been forced to remain shut for the last 75 days (INSEC & DFHRI, 2016). The demonstration, band, strikes etc. have negative psychological impacts with children and youths.

**Health:** Health sector is another major sector hit by the blockade. Hospitals are gradually being unable to provide health care services due to the shortage of oxygen, medicines and blood supply. The hospital authorities have made it clear that they are not in a position to run hospitals without those vital supplies. They also highlighted that the dispensaries will not be able to supply life-saving medicines in future if the on-going economic blockade persists any longer. Major public hospitals in the Kathmandu Valley including Bir Hospital, Teaching Hospital, Kanti Children Hospital, Patan Hospital, Civil Service Hospital, Gangalal National Heart Centre and Paropakar Maternity and Women Hospital need 1700 litres of diesel, 200 litres of petrol, 18 cylinders of LPG and 245 cylinders of oxygen every day to run their services unhindered (INSEC & DFHRI, 2016). Most of the patients have to suffer more than others. Those patients are the agent of anti-Indian sentiments.

**Transportation:** The blockade has disrupted transportation at the height of Nepal's national holiday season, preventing millions from travelling to ancestral homes. There have been many deaths from traffic accidents caused by dangerously overcrowded public transport, with passengers including women, children and the elderly forced to travel precariously on rooftops of buses. On the other hand, according to the National Federation of Transport Entrepreneurs, the transport sector is facing a loss of 200 to 250 million rupees a day (INSEC & DFHRI, 2016). The business was in serious condition.

**Energy:** Nepal needs 1200 megawatt electricity to meet its energy requirements. But, current production of hydroelectricity in Nepal is only 600 megawatts and 180 megawatts is imported from India. Rest of the energy need is met using generators. The shortage of fuel supply has badly affected the operation of generators causing huge energy crisis. Similarly, the LPG crisis has caused huge difficulty for the Kathmandu Valley consumers to prepare their meal. Most of the hotels and restaurants have been forced to shut. Country's monthly LPG demand stands at 32,000 tones, which soars 30-40 per cent during winter. However, the Indian Oil Corporation has sharply cut the supply of LPG to Nepal since the unofficial trade and transit embargo. According to the Nepal Oil Corporation, more than 225 gas bullets have been stuck on the Indian side of the border. A bullet carries 18 tons of LPG (INSEC & DFHRI, 2016). The shortage of energy has paralyzed the lives in Kathmandu. Kathmanduities cannot forget the pain easily that has hampered the diplomacy.

**Food:** Acute shortage of fuel continues to impede planned deliveries of relief supplies to the earthquake-affected villages. According to the United Nations Humanitarian Coordinator's Office in Kathmandu, hundreds of tons of food materials meant for the earthquake victims are stuck in warehouses. Not only the earthquake-affected villages, many other food insecure villages of the country are facing food scarcity due to the limited supply. There is possibility of a mass hunger in the near future. In the areas, where foods are still available, prices of food items have gone exceptionally up reaching beyond affordable capacity of general people (INSEC & DFHRI, 2016).

**Agriculture:** Over 70 percent of Nepal's population works in the agriculture sector, accounting for 38 percent of the GDP. Due to the blockade, farmers are not getting improved seeds and fertilizers that are largely imported from India and other countries. Imported fertilizers are currently dumped in Indian border owing to transit blockade by India. In addition, in most of the Terai region considered to be the Nepal's food basket, water supply for the irrigation is done by pumping water. Farmers of the region are complaining that they have not been able to cultivate their lands owing to the lack of fuel to operate water pumps and irrigate their fields. It is going to significantly reduce the food production in the region and ultimately create food scarcity in the country (INSEC & DFHRI, 2016).

**Economy and development:** All over Nepal, industries as well as small businesses are closed and development activities, including construction of vital infrastructure, are at standstill. Tourism has been severely disrupted during what would have been a peak season. Employment prospects have diminished nationally, forcing hundreds of thousands more to consider migrating to India, the Gulf and Malaysia. The government's collection of revenue and its expenditure have both declined as of October 23 of the current fiscal year due to the long-running banda (general strike) in Terai and unofficial embargo imposed by India. According to the Nepal Rastra Bank (NRB), the government collected only Rs 77 billion in revenues as compared to Rs 90 billion in the same period last fiscal year (INSEC & DFHRI, 2016). The year 2015 was not a particularly good year for tourism and its adjoining businesses. While tourist arrivals dwindled after the April earthquake, the emerging signs of recovery in subsequent months were soon dampened by the Madhes agitation. As a result, number of tourists fell to a six-year low in 2015 at 538,970 (Shakya & Bhattarai, 2016).

Likewise, the private sector business is losing around Rs. 2 billion daily due to the Banda and blockade. The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and Nepal Chambers of Commerce (NCC) have warned that the industrial sector would face a disaster if the government did not announce relief package for the business sector (INSEC & DFHRI, 2016).

The country faced a trying year in 2015, first with the earthquake - which dealt a devastating blow to the economy, and further compounded by the blockade. Apart from inflicting great economic and social costs to the country, the blockade led to a state of humanitarian crisis wherein the crippling shortage of fuel and other essentials made lives across the country extremely difficult (Shakya & Bhattarai, 2016). This had a multi-faceted impact on the country; especially in terms of



day to day livelihoods, transportation and across sectors particularly agriculture, manufacturing, trade and business, health, education and tourism. Failure to transport winterization kits hampered rehabilitation of earthquake victims who had to face the winter under shortage of fuel and warm clothes. As such, those affected by the earthquakes became double victims, i.e. of both natural and man-made calamities (Shakya & Bhattarai, 2016). The blockade pushed hundreds of thousands of people below the poverty line, over and above those already pushed below the line by the earthquakes. It also jeopardized the livelihoods of many, which are likely to have long term impacts in terms of productivity. While on the one hand, the country is vulnerable to external shocks like the blockade, on the other hand, it lacks the capability and economic vitality to cope with multiple natural disasters. Given such a scenario, Nepal's focus should be on having safety nets in place in order to salvage the economy should such instances threaten the stability of the economy and by extension, the society at large. Both, prevention and better management of such crises require bold pragmatic actions which transcends politics and partisan interests (Shakya & Bhattarai, 2016).

### **c. Undeclared Blockade**

India wanted the Madhesis who have age-old affinities and relationship with India and carry old grievances of being ignored by the dominant Nepalese of hill origin, to have a larger socio-political space under the new Constitution. This raised the apprehensions once again about India's intimidating and imposing Big Brother approach to its neighbors (SAHR, 2016). The South Asian Association of Regional Cooperation (SAARC) does not, unfortunately and tellingly, have a mechanism to resolve disputes in the region. The Madhesi-centric political parties in Nepal, together with the groups/parties representing the Janjatis, and many marginalized and minority communities had been agitating for proportional representation under the new Constitution and even autonomy for the province. More than 40 people were killed during the agitation last year (SAHR, 2016). The Madhesis have cultural and geographical linkages across the border in Indian states of Bihar and Uttar Pradesh. India has always attempted to play a role, even intervene, in the socio-political developments in Nepal over the years but this time it sought to influence the making of the Constitution itself which was the privilege of the people of Nepal. It rode on the back of the Madhesi agitation causing commentators to call it "mean".

Besides the humanitarian crisis, the blockade also meant that Nepal sought assistance and long-term investments from its other neighbor China. Traditionally, India and China have shared an uneasy relationship. This further skews the power equation in the region (SAHR, 2016). The geographical setting of Nepal and India are very important in shaping their relations. They share not only a long and open border but also cultural history for a long time. Nepal and India had many modes of their relations like- "Sphere of Indian Influence", "special relationship" later turned into "Equal Relationship with all", then "Big Brother role" later become "Dominating power", "Zone of Peace", "Panchayat Regime". So, despite these closeness and friendly relations they had many irritants also. After a long time, Nepal has achieved political stability, except some issues, on September 20, 2015, to adopt a constitution. Nepal had been hankered for a long time to



achieve this. Now it is time for Nepal to ponder over the all gamut of relations with India because both of the countries can take advantage of each other as Prime Minister Narendra Modi during his two-day visit to Nepal, on 3-4 August 2014, said about the Nepal's development and promised to take all necessary steps to take the relations into a new height. Now, it is interesting to see that what kind of relationship Nepal will maintain with India with these developments (Patel, 2017).

#### **d. India Nepal Relation**

India-Nepal relations reached their lowest during the last one year, bringing about a state of utter confusion; full of allegations and diversions in multiple ways. It is not for the first time that the relations between the two countries have received a setback. In fact, ever since 1950, India-Nepal relations have had a chequered history despite age old historical, social and cultural linkages, an open border, vital trade and transit links, and a sound foundation of relations in the form of the 1950 Treaty of Peace and Friendship. Sometimes, it is highly puzzling why the two countries have come to strain relations time and again despite such multidimensional bonds between them (Choudhary & Ghosh, 2016)

This blockade pushed the Nepalese economy reeling from the April 2015 earthquake into further tailspin. Estimates put this loss due to the blockade at Nepali Rupee 200 billion. Nepal's third-country trade was also deeply affected because India has been its transit route. This report draws attention to the issues faced by a landlocked country, and the rights and entitlements it has under various international conventions. India orchestrated the blockade after failing to get its way through diplomatic channels in the making of the Nepali Constitution. For the record, India denied effecting or orchestrating the blockade but its external affairs minister tacitly acknowledged India's role referring to the blockade in 1989-90 as "the first one" implying that the 2015 blockade was the second one (SAHR, 2016).

There is no doubt that India lacks clarity and consistency in its approach towards Nepal. There have been allegations about India being reactive instead of being proactive towards its northern neighbor (Choudhary & Ghosh, 2016). Many Indian projects have not been completed in time – although Nepal has also been responsible for this many a time. But it is also a fact that dragging India into the political bickering of Nepal and laying all blame on it is counterproductive. It is irritating to all those who are sincerely working for the development of Nepal. For them, Nepal's approach is frustrating. However, there are many brighter aspects to the India-Nepal relationship. These aspects need appreciation in order to build a brighter future of the relationship between the two countries (Choudhary & Ghosh, 2016). The deep rooted socio-cultural linkages that the two countries possess comprise a rare repository in the arena of bilateral relations. But unfortunately, all these and many other aspects of India-Nepal relations are overshadowed by personalized politics and short term gains. For a brighter India-Nepal relationship, Nepal needs stability, development, and a mature political leadership. On the other hand, India needs to follow a clear, consistent, transparent, and more cooperative approach towards a close neighbor (Choudhary & Ghosh, 2016). New Delhi needs to give continuity to its stand on the Nepalese constitution. It should

use its leverage to influence Nepalese politicians to accommodate the aspirations of the agitating parties in the constitution by amending it to their satisfaction. It is in Nepal's own interest to amend the constitution in a way that it becomes inclusive. If at all New Delhi has lost any section of society in Nepal in the course of the anti-constitution movement, it is the group of opportunists. Instead, New Delhi has earned credibility from larger sections of Nepalese population, which is not a small gain. In order to consolidate its gain, what is essential for New Delhi is to sideline the forces that indulge in propaganda about Chinese activities in Nepal, including the extension of its railway network deep into the Nepalese territory, being in Nepal's interest. It is clear as mirror that all the Chinese activities in Nepal have a strategic design that would neither serve Nepal's long term interest nor that of India.

The relation between Nepal and India are getting worse and worse because of lack of trust and cooperation. In this regard, both countries did not make any serious attempt to solve this issue besides tall talks. It is India's biggest diplomacy failure that it doesn't minimize its relationship deficit with Nepal. Now, it is necessary to, without tall talks, both countries have to try to give a new direction to their relationship and must make it more and more useful in changing world scenario. Nevertheless, no one can undermine their centuries old cultural and social linkages and geographical setting as well. This is the only reason of their good, and as well as bad, relationship that always helps in maintaining their relationship. In the era of globalization, where each one country has come closer to gain more and more profits while Nepal and India, instead of closeness, do not seem in able to utilize each other's potentials. In this task, India has failed to improve its soft power potentiality while this can be achieved through the little efforts because it has already been working in an undirected and neglected way (Patel, 2017).

## **Conclusion**

In conclusion the main reason behind the unofficial blocked is to protect pro Indian politicians in Nepal on their demand of whole Tarai as a province which is very dangerous to Nepalese security and sovereignty. It was a diplomatic move where India had refused to accept it as the blockade but it is an unofficial blockade. Modi's diplomacy was failed in Nepal; anti-Indian sentiment was mounted at the time ever in History. The main reasons of unofficial blocked are to rule south Asia as a big brother. It pressurized Nepal government to impose Indian hegemony in Tarai with the help of recently migrated Indians. To minimize the Chinese Communists influences but the move was wrong so Nepal has elected communist government with easy full majority. To develop Hinduism and extremism in Nepal. Indian policy might be concentrated to instability in Nepal because It has always supported weak force against strong forces. Nepalese diplomacy seems weak to put agenda to amend the Sugauli Treaty, Treaty of 1950, issues of Kalapani, Susta and Lipulek in Delhi. At the time of election entire political parties raise the issue against India as KP Oli did and successfully won the election, the pain of blocked is forgotten in the name of improving bilateral relations. India has not taken the issue seriously because socio economic impact on Health, Education, Transportation, Energy, Fuel, business and economy were devastated, the earthquake had killed 10,000 people millions were injured but India played the game through

conspiracy theory. Leaders will forget but people will never forget it so India has to apologize for the inhuman behavior and must welcome Nepalese constitution 2015.

## References

- Choudhary, N., & Ghosh, A. (2016). *Indo-Nepal economic cooperation: A subregional perspective*. Delhi: Indian Foreign Affairs Journal Vol. 11, No. 2, April–June 2016, 93-123.
- ICG (2016). *Nepal's divisive new constitution: An existential crisis*. Brussels: International Crisis Group Asia Report No 276, 4 April .
- INHURED (2016). *Unofficial blockade of Nepal by India :Issue Brief*. Kathmandu : INHURED INTERNATIONAL .
- INSEC & DFHRI (2016). *Unilateral coercive blockade imposed by India on Nepal*. Kathmandu: [www.insec.org.np](http://www.insec.org.np) and [www.dfhri.org](http://www.dfhri.org).
- MASUM (2016). *Report on fact-finding on impact of blockade along Indo-Nepal border*. Kathmandu/ Dhaka: Banglar Manabadhikar Suraksha Mancha (MASUM).
- NRB (2016). *Current macroeconomic and financial Situation of Nepal (Based on Three Months' Data of 2015/16)*. Kathmanu Nepal: Nepal Rastra Bank Research Department.
- Patel, S. ( 2017). A New Journey in the New Context: Nepal-India Relations. *IOSR Journal Of Humanities And Social Science (IOSR-JHSS)* Vol. 22, Issue 9, Ver. 11, September, 73-79.
- SAHR (2016). *Nepal Blocked a humanitarian crisis, a midsts diplomatic kerffufle : A fact finding mission report*. Colombo: South Asians for Human Rights (SAHR), Shri Lanka.
- Shakya, A., & Bhattarai, T. N. (2016). *Post Disaster Assessment: Blockade 2015/16*. Kathmandu : Nepal Economic Forum and Allince for Social Dialogue .
- Subedi, S. (2016). *Academia* . Retrieved from, [https://www.academia.edu/33773541/Economic\\_Blockade\\_2015.pdf](https://www.academia.edu/33773541/Economic_Blockade_2015.pdf).

### 3. SEX TRAFFICKING IN NEPAL

- Bishnu Sapkota<sup>3</sup>

#### Abstract

*Extreme poverty, illiteracy, unemployment, poor law enforcement, and open border between India and Nepal are major factors for human trafficking. Due to the devastating earthquake that hit Nepal on April 25, 2015, which was followed by more than 400 aftershocks, about 3 million people were victimized. The earthquake victims- women and children, were more vulnerable to trafficking than before. Hence, it is vital to understand human trafficking, its form, factors, effects, and motives. The objective of this paper is to make intellectuals aware of the issue of sex trafficking, problems, and possible solutions in Nepal.*

**Keywords:** Sex trafficking, human rights, social welfare.

#### Introduction

Attention has been drawn towards this issue and several countries have signed a United Nations protocol that attempts to recognize and define all types of trafficking (Hennick & Simkhada, 2004). This corporate effort indicates the growing concern among governments and therefore may serve as a springboard for amendments in legislations that may help in putting a check on this vice. Furthermore, this effort has potentially served as a tool in international cooperation to criminalize trafficking and protecting the victims. Although such significant efforts have been made to limit the rise of this evil, there still remains a lot to be known and perhaps additional awareness to be spread. "In the absence of conceptual clarity, it is difficult to distinguish between migration, forced labor and trafficking, making it difficult to assign responsibilities and duties to any one authority or organization". Thus, it is evident that there is not yet a scientifically clear concept of human trafficking which is causing difficulty in delegating responsibilities and authorities in order to solve problems related to sex trafficking. Furthermore, due to the confusion of terms and concepts between sex trafficking and migration, there are challenges in intervention and socio-economic lives of the women in Nepal. Nepal government banned even legitimate labor migration to Gulf countries for women and girls because of the presumption that they will become victims of sexual exploitation. As a result of it, there are negative impacts on the socio-economic standard of women and girls in Nepal. It is to this end that this paper makes its contribution particularly focusing on sex trafficking as it pertains to Nepal in its current condition. The paper may be helpful for the scholars, policy makers, potential victims, and agencies fighting against sex trafficking phenomenon specifically in Nepal. A fair strategies and well-defined review can make a great contribution in theory, practice, and policy formation. The sensitive nature of the problem, methodological issues in research aimed at exploring the concept continues to exist. Regardless, both empirical and non-empirical research studies have been published in journals. This paper seeks to add to the understating of the dimensions of sex trafficking in Nepal and in so

3 Mr. Sapkota is an MPhil student at Graduate school of Education, TU and teaches at Janabha-wana Campus

doing hopes to create awareness of the nature of the vice and, perhaps, the urgency to put a halt on this evil phenomenon in the discussed context.

Even though slavery has been banned centuries ago its practice continues in various forms. Looking through the lens of modern societies, human trafficking would replace slavery. A lot of literature has been gravitated towards women and children exploitation sexually as being victims of the vice. Nonetheless, modern day slavery is evident in our very own communities and domestic societies. It is also quite shocking that this is not limited by age or gender. Trafficking as we know it today was earlier described as the forceful recruitment of individuals and their enslavement.

Nepal has to focus on solutions and prevention measures for sex trafficking as there are tremendous negative effects on victims mentally, socially, physically, and economically nationwide. Sex trafficking does not only causes problems for victims but also local, national, and international community. In this respect, UNODC fully recognizes the importance of mobilizing the support of NGOs, IGOs, governments and the community at large. There are some feasible and viable solutions and prevention measures that could be applied. They are listed and explained herewith.

Sex trafficking especially women and children is a major issue in South Asia, particularly in Nepal. “It is estimated that about 200,000 Nepali women and children who are trafficked and sold into India, over the period of years, are working as forced prostitutes in brothels in different parts of India” (Datta, 2005). Many of these Nepali women and children are sold for the purpose of sexual exploitation and monetary profit. Sex trafficking is a growing concern as it is connected with human right violation and steady spread of HIV/AIDS (Kaufman & Crawford, 2011).

## **Discussions**

### **a. Equal Employment Opportunity**

One of the major reasons of sex trafficking that occurs in Nepal is because of lack of employment opportunity. When there is no options left for their livelihood, women and children are easily enticed and deceived by traffickers by assuring well paid jobs and socio-economic wellbeing. It is very crucial for women and girls to be trained in vocational skills, educate them well, and provide equal opportunities for employment in Nepal in order to prevent from sexual exploitation (Simkhada, 2008).

### **b. Care and Support**

The trafficked victims should be provided with counseling, medical care, and as well as should be trained for income generating skills. These kinds of rehabilitation programs will inspire victims to live happy and healthy lifestyles. Due to the male dominant culture and traditional ways of people in Nepal, trafficked women are not well accepted in some cases. So, they should be provided with some kind of jobs for their living and find marriage partners for their happy family lives (Kaufman & Crawford, 2011).

### **c. Eradication of Poverty**

There should be well strategic plan in National level to eradicate extreme poverty in Nepal. Providing viable livelihood options will contribute in fighting against sex trafficking in Nepal. The scarcity of foods, shelters, clothes, good health, and education compels victims to be persuaded by traffickers. Therefore, there is a vital need of eradicate poverty in order to combat sex trafficking in Nepal (Datta, 2005).

### **d. Law Enforcement**

There should be enforcement of strong law that fights against sex trafficking in Nepal. There should be effective law implementation that detect and discipline traffickers in a way that they never repeat the same immoral acts again. There should be NGOs, INGOs, and government agencies that offer supports and advocate for survivors of sex victims. So that the sexually exploited women and children are able to appreciate their life and encouraged to live a happy live.

### **e. Human Right**

There should be equal rights between men and women. All kinds of discrimination for women and children should be rooted out. Even though there is the existence of framework in the constitution to prevent and suppress trafficking activities, it is not seen in the practice in Nepal. Hence, every women and children of Nepal should be protected by law and in practice in terms of human rights issues.

### **f. Open Border**

The open border between India and Nepal is good in many ways. On the other hand, criminals are misusing the opportunity to pass the border freely and carrying out activities of injustice and sexual exploitation. Hence, agencies such as NGOs, INGOs, and government should be active to dictate such illegal and immoral phenomenon and prevent Nepalese women and children from sexual exploitation, crime and injustice.

### **g. Social Media**

Media can play a vital role for combating sex trafficking activities in Nepal. Nepali media should play a role to make aware of existing policies, law, forms, factors, problems, and solutions of sex trafficking in Nepal (Datta, 2005). "Utilising the local and national media will not only raise awareness of sex trafficking amongst the community, but can play an important advocacy role in sensitizing policymakers to the issues of sex trafficking" (Henink & Simkhada, 2004). It was reported that majority of Nepali women and children learn from media. Thus, media is important for raising awareness about factors, consequences, and solutions of sex trafficking.

## Conclusion

Unfortunately for lack of a proper definition it wasn't possible to legislate and to curb the vice. Significant efforts had been and are presently being made to manage sex trafficking, but still these evil acts continue to thrive. Sadly, more economically stunted countries like Nepal suffer the consequences of being source and transit destinations for trafficking of any nature, much worse for sexual exploitation. It was the purpose of this paper to put together the nature of sex trafficking in Nepal. Particularly, it discussed the factors leading to it, the consequences, and the solutions. Just like all research, this one too has inherited limitations. One limitation that must be borne in mind is that the data were essentially primary sources and were subject to the judgment of the researchers. The other limitation is that the methodology was limited to a narrative review as opposed to a more data based scientific one. Factoring in the purpose of the study, this study paints a picture of sex trafficking as it pertains to Nepal.

## References

- Barrows. J. & Finger R. (2008). Human Trafficking and the Healthcare Professional. *Southern Medical Journal*. 101, 521-524.
- Datta, P. (2005). Nepali female migration and trafficking. *Journal of Social Science*, 11(1), 49-56.
- Hennink, M., & Simkhada, P. (2004). Sex trafficking in Nepal: context and process. *Asian and Pacific Migration Journal*, 13(3), 305-338.
- Kaufman, M. R., & Crawford, M. (2011). Research and activism review: Sex trafficking in Nepal: A review of intervention and prevention programs. *Violence Against Women*, 17(5), 651-665
- Simkhada, P. (2008). Life histories and survival strategies amongst sexually trafficked girls in Nepal. *Children & Society*, 22(3), 235-248.



## 4. FISCAL DECENTRALIZATION IN BUDDHIST ECONOMICS:

### AN INTERACTIVE ANALYSIS FROM LUMBINI

- Indra Prasad Bhusal<sup>4</sup>

#### Abstract

*The main objective of the article is to identify the basic elements of Buddhists Economics applicable to fiscal decentralization. The study reviews the Buddhists Economics and Fiscal Decentralization from global perspective. Fiscal decentralization is the process to deliver the power and resources to the grass root level of governance. If the governing body is able to impose the Buddha's ideology in the policy, certainly resource allocation conflict will be minimized.*

*Methodologically the researcher has conducted interaction programs among Buddhists economists, scholars and academicians available in Lumbini– the birth place of Buddha. The author has analyzed the facts matching with literature review and focused group discussion in Lumbini. The study has identified elements of fiscal decentralization from Buddhist Economics. These elements can be a guideline for noble scholars, academicians, researchers and policy makers of fiscal decentralization from Buddhists economics.*

**Key Words:** *Buddhists Economics, Fiscal Decentralization, Lumbini*

#### Background

This attempt is a study of fiscal decentralization in Buddhists Economics in development economics. Fiscal decentralization constitutes the public finance dimension to decentralization in general, defining how the expenditures and revenues are organized between and across different levels of government in the national polity. The precise nature of intergovernmental fiscal relations and fiscal decentralization policy in any given country varies depending on how sub-national government and administration is organized (UNDP, 2005). Fiscal decentralization should be considered as intergovernmental fiscal relations that show how different level of governments acts and interacts with each other on fiscal issues i.e. revenue collection and expenditure with reference to their functions and responsibilities. There are four key elements of fiscal decentralization usually called "four pillars" or "building blocks" of fiscal decentralization. They are:

- a. Expenditure responsibilities,
- b. Revenue assignment,
- c. Inter-governmental fiscal transfer, and
- d. Sub-national borrowing (borrowing authority only for pre specified objectives) (Shrestha, 2005).

---

<sup>4</sup> Mr. Bhusal is Assistant Campus Chief of New Horizon College Butwal



It is a process of devolving fiscal decision making power and management responsibilities to the local government. The process or governmental system assumes that local governments have a certain degree of fiscal discretion and autonomy in resource planning and its mobilization (Shrestha, 2005). The Buddha taught that basic material needs must be met before spiritual development can begin. ... The peasant heard the news of the Buddha's visit and, since he had been interested in the Buddha's teaching for some time, he decided to go to listen to the discourse. By the time he arrived at the place, set up for the talk, he was exhausted and very hungry. When the Buddha saw the peasant's condition, he asked the city elders to arrange some food for the poor man, and only when the peasant had eaten his fill and was refreshed did the Buddha start to teach (Wiese, 2011).

Fiscal decentralization, then, can be conceptualized as the empowerment of communities and citizens by fiscally empowering their local governments. In such a context, fiscal decentralization is often more narrowly conceptualized as fiscal devolution – and this primer is predominantly concerned with this form of fiscal decentralization (UNDP, 2005). Fiscal decentralization, however, is not only a question of transferring resources to the different levels of local government but it is also about the extent to which local governments are empowered about how much authority and control they exercise over the use and management of devolved financial resources. It is measured in terms of their control over (i) the provision of the basket of local services for which they are responsible; (ii) the level of local taxes and revenues (base, rates and collection); and (iii) the grant resources with which they finance the delivery of local public services (UNDP, 2005). It also requires a meaningful dialogue between local and central governments, an appropriate set of legal and institutional arrangements for local government management, and a system of incentives.

Fiscal decentralization refers to the process of granting autonomy to the local self-government to mobilize financial resources which shows how much central government cedes fiscal impact to sub-national governments. It is a bottom up planning approach with the aim of converging the people's participation. Considering the eminent role to be played by local institution to mobilize these resources, Nepal has adopted the principle of decentralization since 1960 and various acts and laws were enacted since then to strengthen the efforts (Shrestha, 2005).

Buddhist economics applies the lessons of the Buddha's discoveries on his path to enlightenment to an analytical approach encompassing generally accepted economic concepts. The approach can lead to a better understanding of the truths of human existence and our relationship with nature. Buddhist ethics are not some abstract concept of 'promising to be good' so that we will receive a reward at some time in the future, nor some mysterious code of behavior we have to follow to belong to a secret club, but a way of living which accepts and complies with the reality of nature. E. F. Schumacher in 1993 was the first economist to mention Buddhist economics in his book *Small is Beautiful*. Schumacher advocated living according to a 'right livelihood', a step on the Eightfold Path of the Buddha's Middle Way to enlightenment. Society should not only be concerned with maximizing the utility of the environment, but should also choose harmonious

and peaceful ways of living (Praukvong, 2005). The term “Buddhist economics” has probably been coined by Ernst Friedrich “Fritz” Schumacher, a German-born statistician and economist. Schumacher is best known for his 1973 booklet “Small Is Beautiful” that contains the reprinted article “Buddhist Economics” which was first published in 1966 (Wiese, 2011)

On a central Buddhist concept, *tanha* is craving, thirst and unwholesome desire. It is explicitly mentioned in the second and the third of the Four Noble Truths and also in the theory of “dependent origination”. Buddhism is in contrasting *tanha* with *chanda* (sincere desire for well-being). As with these words, we consistently stick to the *Pali* and *Sanskrit* words. In the next section, these Buddhist teachings are expounded in more detail. The section after next explains the basics of household theory. We then show how standard tools of microeconomic theory help to shed light on some central Buddhist tenets: moderation, overconsumption, non-consumption, contentment, and the attitude towards work (Wiese, 2011).

At the very heart of Buddhism is the wisdom of moderation. When the goal of economic activity is seen to be satisfaction of desires, economic activity is open-ended and without clear definition — desires are endless. According to the Buddhist approach, economic activity must be controlled by the qualification that it is directed to the attainment of well-being rather than the “maximum satisfaction” sought after by traditional economic thinking. ... There is no excess, no overconsumption or overproduction. In the classical economic model, unlimited desires are controlled by scarcity, but in the Buddhist model they are controlled by an appreciation of moderation and the objective of well-being (Wiese, 2011).

Drinking alcohol, for instance, satisfies a desire, but is a cause of ill-health, unhappy families and fatal accidents. People who eat for taste often overeat and make them ill. Lacking a spiritual dimension, modern economic thinking encourages maximum consumption. It praises those who eat the most — three, four or more times a day. If someone is to eat ten times a day or more, will be so much the better in modern economics. By contrast, a Buddhist economics understands that non-consumption can contribute to well-being (Wiese, 2011). Like consumption, non-consumption is only a means to an end, not an end in itself. If abstinence did not lead to well-being, it would be pointless, just a way of mistreating ourselves. The question is not whether to consume or not to consume, but whether or not our choices lead to self-development. The path to true contentment involves reducing the artificial desire for sense-pleasure, while actively encouraging and supporting the desire for quality of life (Wiese, 2011).

Buddhists Economics, only through understanding suffering can we realize the possibility of happiness. Buddhism makes a distinction between two kinds of happiness: dependent happiness and independent happiness. Dependent happiness leads to competition and conflict in the struggle to acquire material goods. Any happiness arising from such activity is a contentious kind of happiness (Wiese, 2011). The truly independent kind of happiness is nevertheless more skillful than the contentious. It is a happiness that is more altruistically based, directed toward well-being and motivated by goodwill and compassion. Through personal development, people can

appreciate this truer kind of happiness — the desire to bring happiness to others (Wiese, 2011).

## Rationale

Essentially, Buddhism holds the view that all things exist and proceed within an interrelated natural system. Even those subjective matters within the domain of the mind, e.g. thought and imagination, and those matters pertaining to social activities, which in today's academic circles are not necessarily considered as the aspects of nature or of pure science, and are thus distinguished as separate branches of study; e.g. the humanities and sociology, are in Buddhism viewed as natural phenomena, only at another level of complexity. It is imperative that one recognizes and gains an insight into how such psychological and social factors exist as interrelated causes and conditions, and are linked to other aspects of nature within a unified system (Payutto, 2016).

If there is a lack of insight into this truth, human academic knowledge will split off into separate specialized disciplines, and each one of these disciplines will end up defective and wanting. This can be seen in some branches of science which only study physical aspects of nature, without taking any account of related factors. As a consequence, the understanding of the physical world is sometimes inadequate and unclear.

Human beings are an aspect of nature, although they possess unique attributes. There are many such unique attributes, but the ones that are most important are intention (*Chetana*) and intelligence (*Panna*); in some cases, or at some levels, this word encompasses 'wisdom,' 'insight' and even the knowledge of awakening— *Bodhinaana*—but these are all facets of intelligence). All of these unique attributes are aspects of nature. The world of human beings, or human society, is generated from these unique attributes, which exist in a causal relationship with other factors inherent in the overall interconnected natural system. For the diverse branches of knowledge to be integrated and to truly solve people's myriad problems, and for human creative endeavor to reach its goal, people must first understand their own unique attributes and recognize how they fit into the interconnected set of conditions (*pasyakara*) inherent in nature (Wiese, 2011). Economic activity is a part or component of this holistic conditional system. Economics as a discipline needs to discern the conditionality of economic activity within this interconnected system at two levels or pertaining to two domains:

1. The interrelationship between economics and other human social activities and affairs, e.g. popular values, traditions, ethics, state of public health, politics, and education. (Up till now, the study of politics has been given much attention, but many other aspects of human activity have been overlooked.) In this way economic activity will be assimilated into an increasingly joyous and free state of life (Wiese, 2011).
2. The interrelationship between economics and the three chief factors pertaining to human existence: a person's individual life, the society, and the natural environment. In other words, economics needs to promote healthy, happy lives for individuals in a peaceful society surrounded by a pleasant and refreshing environment. This will lead to true, lasting progress and development

(Praukvong, 2005). It is imperative that economics helps to integrate and coordinate the various factors in these interrelated systems to bring about balance and to achieve true success. This is the chief premise and maxim of what is called middle-way economics.

There are other important principles related to middle-way economics, for instance the harmony and integration between open-ended social development and close-ended personal or individual development, but these subjects must be left for another occasion (Wiese, 2011).

The main objective of the study will be the analysis of the core elements of Fiscal decentralization from Buddhist Economics. The study will analyze current fiscal decentralization practice, issues and challenges on fiscal decentralization and examine how fiscal decentralization may influence economic growth of Nepal with special reference to Lumbini from Buddha's ideologies. The mainstream welfare economics enlarge the human wants that leads to craving and conflicts at local resource allocation whereas the Buddhists Economics generate peace and harmony in local level fiscal decentralization.

### **Importance**

1. Recognizing and trying to account for odd natural occurrences of Buddhists Economics and fiscal decentralization.
2. Attempting to understand ordinary events that seem to defy explanation.
3. Analyzing one's own behavior (and trying to explain it).
4. Using deductive reasoning and trying to determine whether general principles apply in a given situation or context.
5. Noticing the inconsistency between results reported by other researchers pertaining to the same psychological event or process.
6. Examining the impact of a particular contextual variable on a psychological event or process.
7. Investigating alternative manipulations of different variables.
8. Following up on a "suggestion for future research" in the discussion section of a published article.
9. Uncovering and addressing potential flaws in extant research.
10. Extending the theories of Buddhists economics and fiscal decentralization into a new domain or applying it to a new situation

## Review

At the beginning Buddhist perspective on the subject of economics was simple, a theological issue of Buddha's ideology. While not seeking to present a completely comprehensive Buddhist economic theory, he provides many tools for reflection, ways of looking at economic question based on a considered appreciation of the way things are, the way we are. The hope that by making this work available in English it may go at least a short way towards resolving what has been called the current 'impasse of economics', and to awaken readers to the wide-reaching contemporary relevance of the timeless truths that the Buddha discovered and shared with us (Payutto, 2016).

“The federal system was created with the intention of combining the different advantages which result from the magnitude and the littleness of nations”. The quotes of Alexis de Tocqueville, Democracy in America has given the base of theory decentralization. The research will be guided by this Toqueville ideology of Fiscal decentralization.

When regional and local governments are involved in financing their own expenditures, at least at the margin, they will be more accountable to their citizens (and the central government) for the efficient delivery of public services. In contrast, when the bulk of financing of local services comes from revenues transferred from a higher level of government, local governments are less likely to be parsimonious with those expenditures. Thus, tax sharing formulas need to be constructed in a fashion that encourages (or at least not discourages) local governments from developing their own-source revenues (Kee, 2003). In recent years, there have been multiple extensions of the traditional theory of fiscal federalism (or the organization of intergovernmental fiscal relations) first developed by Oates in 1972. Viewing government as a benevolent agent, it has created a decentralization theorem, which states that in the presence of diverse preferences and needs, provision of services from a decentralized government will lead to increased citizen welfare. This occurs because decentralized government leads to information advantages and more flexibility in adapting to citizens' needs and preferences, as emphasized earlier (Martinez-Vazquez, 2011)

## Analysis/Discussion

*The Decentralization Development from Peace:* For a public good—the consumption of which is defined over geographical subsets of the total population, and for which the costs of providing each level of output of the good in each jurisdiction are the same for the central or for the respective local government—it will always be more efficient (or at least as efficient) for local governments to provide the Pareto-efficient levels of output for their respective jurisdictions than for the central government to provide any specified and uniform level of output across all jurisdictions (Oates, 2006). “The keynote of Buddhist Economics, therefore, is simplicity and non-violence. From an economist's point of view, the marvel of the Buddhist way of life is the utter rationality of its pattern – amazingly small means leading to extra-ordinary satisfactory results” - E. F. Schumacher, *Small is Beautiful* (Kekendure, 2010)

“For at least another hundred years, we must pretend to ourselves and to everyone that fair is foul and foul is fair: for foul is useful and fair is not. Avarice, usury, and precaution must be gods for a little longer still. For many they can lead us out of the tunnel of economic necessity into daylight.” (Economic possibilities for our grandchildren.) - John Maynard Keynes (Kekendure, 2010) “Men make their own history, but they do not make it just as they please; they do not make it under circumstances chosen by themselves, but under circumstances directly encountered, given, and transmitted from the past.” - Karl Marx (Kekendure, 2010)

As Nepal is a country of Gautam Buddha, Nepal's every policy is almost guided by the Buddhists Philosophy. Since early 1960, Nepal adopted Decentralization as a process to mobilize people's participation in development. This has undergone significant changes over time. Historically, the development process of Decentralization could be categorized into two important phases: Phase I (1960-1990) and Phase II (1990 to date). Phase I may be treated as transition phase. In 1962 the Decentralization Policy was framed. This was the first officially prepared policy framework on Decentralization. Some other features of this phase are the promulgation of Decentralization Act 1982 and Decentralization Regulation 1984 (Ligal, Shrestha, Chapagain, Bista, & Maharjan, 2005).

Phase II may be considered as the consolidation and carry-forward phase in the development of Decentralization policies in the country. The Constitution of Nepal 1991 has incorporated Decentralization into its directive of the state policy and is stated as "Decentralization should be the means for ensuring optimum participation of people in governance and hence enjoy the benefit of democracy". The promulgation of three separate local governments Acts (DDC, Municipality and VDC) in March 1992 was the beginning of a systematic process to Decentralization in the country. Limitations in these acts resulted subsequently in bringing out another unified act namely, Local Self Governance Act (LSGA) in 1999 (Ligal, Shrestha, Chapagain, Bista, & Maharjan, 2005). The enactment of LSGR and LBFAR clarifies the roles and responsibilities of each level of LBs together with the types of resources they command. A system of inter-government transfer was practiced to support LBs in carrying out their function including much needed developmental activities in their jurisdiction. The importance of decentralized local governance was increasingly recognized during this phase. Post 1990s period may, therefore, be considered as the landmark in the development of Decentralization process in the country (Ligal, Shrestha, Chapagain, Bista, & Maharjan, 2005).

*Poverty Reduction through Decentralization:* As a step towards accelerating the process of Decentralization, in fiscal year 2001/02, some key services, such as, primary education, primary health care, agriculture and livestock extension services were devolved and the responsibility of managing and delivering of these services were handed over to the LBs and the local management committees. Center fully backed up these services along with resource requirements. In line with the commitment towards Decentralization, the Tenth Plan (2002-2007), clearly stated Decentralization as one of its strategies for poverty reduction and as such, aims to achieve the objective of poverty reduction by enabling the local people through their participation in the



decision-making and governance process (Ligal, Shrestha, Chapagain, Bista, & Maharjan, 2005). The Tenth plan continued the process of devolution further by devolving services of higher level, such as; health posts and primary health center in the case of 3 primary health services and lower secondary and secondary school in the case of education have also been gradually devolved. Following the recommendations made in the study on Expenditure Assignment commissioned by LBFC and DASU/DANIDA HMG/N had devolved infrastructure sector involving rural roads, small irrigation and small drinking water projects to DDCs from the fiscal year 2004/05. More recently, HMG/N had announced its plan to go on full-scale devolution in 14 districts, one each from 14 zones from the fiscal year 2005/06 (Ligal, Shrestha, Chapagain, Bista, & Maharjan, 2005). So decentralization from Buddhists perspective is based on the philosophy of small is beautiful.

*Empiricism in Buddhist's philosophy of Decentralization:* The term empirical was originally used to refer to certain ancient Greek practitioners of medicine who rejected adherence to the dogmatic doctrines of the day, preferring instead to rely on the observation of phenomena as perceived in experience. Later empiricism referred to a theory of knowledge in philosophy which adheres to the principle that knowledge arises from experience and evidence gathered specifically using the senses. In scientific use, the term empirical refers to the gathering of data using only evidence that is observable by the senses or in some cases using calibrated scientific instruments. What early philosophers described as empiricist and empirical research have in common is the dependence on observable data to formulate and test theories and come to conclusions.

Fiscal decentralization refers to the process of granting autonomy to the local self-government to mobilize financial resources which shows how much central government cedes fiscal impact to sub-national governments. It is a bottom up planning approach with the aim of converging the people's participation. Nepal is rich in diverse resources. Considering the eminent role to be played by local institution to mobilize these resources, Nepal has adopted the principle of decentralization since 1960 and various acts and laws were enacted since then to strengthen the efforts. According to the present Local-Self Governance Act (LSGA)-1999, local resources consisting of the grants provided by the central government (matching and non-matching grant), local revenue (tax and non-tax) and loan (internal and external) could have been implemented by the respective local bodies (Shrestha, 2005). Lord Buddha was born as Prince Siddhartha Gautama of the Shakyas Kingdom in the gardens of Lumbini in 623 BC. His journey in this world began in the gardens of Lumbini when his mother Queen Mayadevi was travelling from Tilaurakot, the capital of the Shakyas Kingdom, to her family home in Devdaha to give birth. It was here that the newborn infant took his first seven steps toward the East beginning a path to enlightenment which would change humankind.

*Buddhism and Local Development:* Later in his life, Lord Buddha advised his followers to visit four sacred places relevant to his life, one of which is his birthplace. The veracity of Lumbini as the birthplace of Lord Buddha is well supported by historical references that date back to 249 BC when Emperor Asoka erected pillars with inscriptions in Lumbini, Gotihawa and Niglihawa, to



commemorate his visits. The inscriptions on the Asoka Pillar in Lumbini marks this location as the birthplace of Lord Buddha. Other pilgrims and travellers throughout the centuries, most notably Seng-tsai and Fa-hsien (4<sup>th</sup> century AD) and Hsuan-tsang (7<sup>th</sup> century AD), made references to the temples, stupas and other structures in and around Lumbini in their writings. In the early 14<sup>th</sup> century, King Ripu Malla also left evidence of his pilgrimage in Lumbini through an additional inscription on the Asoka Pillar. In 1896, archaeologist Anton Führer, and the Governor of Palpa in Nepal, Khadga Shamsher, rediscovered the Asoka Pillar in Lumbini. In 1997, UNESCO declared Lumbini to be a World Heritage property (UNESCO / UNDP, 2013).

The Greater Lumbini Area includes the Rupandehi, Nawalparasi and Kapilvastu districts in the southern plains of western Nepal. The 5,260 sq km area, with a total population of 2,095,640, is home to many archaeological and religious sites relevant to Lord Buddha's life, including his birthplace Lumbini. Among these sites, two are on the Tentative World Heritage list: Tilaurakot, the ancient capital of the Shakya Kingdom where Lord Buddha lived as a prince until 29 years of age; and Ramagrama, which is believed to have a stupa containing one of eight relics of the Lord Buddha (UNESCO / UNDP, 2013). As Buddha was born in Nepal and his ideologies should have been spreading all over the world since very long. Thus principles, theories, ideas, etc., from Buddhist's ideology are applicable in Nepalese rural and local development.

## **Conclusion**

Thus in conclusion, The Decentralization Development from Peace used to be sustainable and accepted by entire stakeholders. The value must be based on peace developed by Buddha in decentralization of fiscal as well as non-fiscal decentralization of power. Poverty reduction through decentralization is scientific although the decentralization must be based on the ideology of Gautama Buddha. Poverty is qualitative rather than quantitative. It can be reduced with psychological empowerment from Buddha's teaching. Empiricism in Buddhist's philosophy of Decentralization is very practical. The main ideology of Buddha from Bippashana meditation express observation is only solution of every misery. So, first observations were not other than Buddha. Empirical study began from Buddha, observing the phenomena seriously gives the on the spot solution of decentralization issues of development. Buddhism and Local Development are directly related. Buddha's Ideology is based on local production, small is beautiful, if we develop model of development through the philosophy, development will be more sustainable as it used to be in Buddha's period.

## References

- Kee, J. E. (2003). *Fiscal decentralization: Theory as reform*. Washington: 601 E Media and Public Affairs Bld .
- Kekendure, D. B. (2010). *Buddhist Economic Thought : For a trouble free life*. Kuala Lumpur, Malaysia: Sasana Abhiwurdhi Wardhana Society.
- Ligal, P. R., Shrestha, D. P., Chapagain, Y. K., Bista, K. K., & Maharjan, K. K. (2005). *Fiscal decentralization in Nepal status and the way forward*. Kathmandu: Decentralisation Advisory Support Unit (DASU DANIDA).
- Martinez-Vazquez, J. (2011). *The Impact of fiscal decentralization: Issues in theory and challenges in practice*. Metro Manila, Philippines: Economics Faculty Publication paper 32 - Asian Development Bank.
- Oates, W. E. (2006). *On the theory and practice of fiscal decentralization*. Meryland: Institution for Federalism and intergovernmental Relations.
- Payutto, P. A. (2016). *Buddhist economics*. Bangkok: Buddhadhamma Foundation.
- Praukvong, W. (2005). A Buddhist economic approach to the development of community enterprises: A case study from Southern Thailand. *Cambridge Journal of Economics*, 29, 1171–1185.
- Shrestha, B. (2005). Fiscal Decentralization and Local Resource Mobilization in Nepal: The Case of District Development Committees and Village Development Committees. *Nepalese Journal of Public Policy and Governance*, Vol. xxv, No.2, December, 55-73.
- UNDP (2005). *Fiscal decentralization and poverty reduction*. New York : UNDP.
- UNESCO / UNDP. (2013) *Lumbini: The birthplace of lord Buddha in Nepal. Completing the Kenzo Tange Master Plan*. Kathmandu: UNESCO Office in Kathmandu, Nepal.
- Wiese, H. (2011). *Moderation, contentment, work, and alms: A Buddhist household theory*. Leipzig, Germany: University of Leipzig.

## 5. SEASONAL LABOUR MIGRATION AND LIVELIHOOD IN THE MIDDLE HILL OF NEPAL: REFLECTIONS FROM ARGHAKHANCHI DISTRICT

- Kanhaiya Sapkota<sup>5</sup>

### Abstract

*People's livelihood in the villages of the middle hill of Nepal are based on farming system. The relationship between climate change and seasonal labor migration in the middle hill areas is a relatively understudied research topic, particularly from an empirical point of view. This article aims at contributing to the literature by analyzing the relationship between livelihoods and human mobility in two rural communities located in the Province 5, Arghakhanchi district, Nepal. Traditional rain-fed agriculture is the most important economic activity in the area. This article highlights differences in livelihood and human mobility patterns between households. The economy of the middle hill is primarily agrarian. Over 80% of the population of the middle hill districts still lives in rural areas/settings, where levels of poverty are higher than in the neighbouring countries. They depend on farming and collecting forest products for their livelihoods. In Arghakhanchi district, during the dry season, many migrate in search of temporary work as labourers particularly in Indian states. Arghakhanchi is the district where the proportion of inhabitants from low income is relatively higher than the other surrounding districts of Province 5. These people are marginalized and experience high rates of poverty, low levels of education and poor health. They are highly vulnerable to climate change, due to poverty and dependence on climate-sensitive livelihoods in a vulnerable region. Consequently, more households are likely to participate in seasonal migration and those already migrating are credible to do so for longer times. Currently, such migrants take up low-paying unskilled works, mainly in urban areas in Uttarakhand, Panjab and Bhopal of India, which enables them to make meager savings, hardly enough to repay the debt of their family has incurred during food shortages. In the study area, the non-agricultural diversification is widespread and income from non-agricultural activities exceeds agricultural income. However, though mobility patterns in the area are determined primarily by broader economic considerations.*

**Keywords:** Seasonal migration, livelihood diversification, livelihood resilience.

### Introduction

Seasonal labor migration to India was a dominant feature of rural poor communities of Nepal, consistent with open borders, and cultural similarities. Therefore, it has long been part of the livelihood portfolio of poor people across the country as well as a part of life of the poor people from the middle hill of Nepal. However, surprisingly with a few perceptible interest (Gautam, 2017), seasonal labor migration in the middle hill of Nepal is a little studied subject until the last few years. Nonetheless, it is now admitted that migration is a part of the livelihood strategy of the poor. Since the very beginning, seasonal migration of the rural poor was a common phenomenon

<sup>5</sup> Mr. Sapkota is Associate Professor of Geography at TU

in Nepal. The main cause of seasonal migration was labor migration to the Indian cities, i.e. Bhopal, Punjab and Uttarakhand for additional income. It is a common process and a part of their life. Traditionally, poor conditions for agricultural production, shortage of arable land and the lack of other off-farm opportunities drove them to see temporary employment (Olimova & Olimov, 2007). Therefore, seasonal migration is widely acceptable adaptive strategy of the people from the rural communities/societies. Because of the lack of economic opportunities in the country, the rural families and the households appear to be increasing their dependence on seasonal labor migration to abroad and the remittances are likely to become critical resources for the sustenance of homes and families in the middle hill of Nepal.

Seasonal labor migration has been a large part of livelihood of most households in the middle hill of the country throughout its history. Thus, the rural farming households seek additional or alternative options for their betterment of their livelihoods other than farming in order to cope with poverty and to improve their living standards (see Acosta, Calderon, Fajnzylber & Lopez, 2008). Remittances are an important source of income for both country and household levels (World Bank, 2017). According to a report of Labor Migration for Employment - A Status Report for Nepal: 2014/2015, there has been a huge increase in the amount of remittances, from 58.6 billion rupees (NPR) in 2003/04 to NPR589.5 billion in 2014/15. It contributed a 10.9 percentage share of the GDP in 2003/04 and 27.7 per cent in 2014/15, and it increased by 2.3 percent in 2016 and reached 30 percent of the total GDP ((World Bank, 2017). It is the second highest such percentage in the world (C.f. Gautam, 2017). It seems that the flow of remittance is a major source of economic development of the country.

Due to open border and cultural similarities with India, most of the poor rural migrants have better opportunities to work in major Indian cities. As a short-term seasonal migrant, people from the western middle hill prefer to go to the India cities without any work permit. Some of the remittances in the rural areas of the country are from seasonal work, and an important feature of Nepali labor migration to India is that much of it seasonal. However, it is clearly indicated that remittances from short-distance seasonal migration are much lower than those from longer-term international migration (Hollema, Pahari, Regmi, & Adhikari, 2008). Labour migration can be an operative approach for livelihood adaptation in the rural communities in most of the rural part of the middle hill of Nepal. It helps to generate varieties of assets/capitals, i.e financial and human capital that can contribute to poverty reduction or alleviation of the rural areas, but it can have less welcome effects on communities. For the poor of the middle hills, remittances are increasingly the most direct, immediate, and noteworthy contribution to their livelihoods. However, those communities face particular challenges in benefiting from migration that are linked to the specific situation of their rural or hardship life.

Development and change effort generally pay little attention to the encounters and opportunities that must be faced to yoke the potential of labor migration and reduce the negative effects for those societies. One of the main reasons for this is the lack of information and knowledge on labor migration and remittance patterns and its volumes. Therefore, labor migration in the rural

communities is a highly provoked process, with mostly male leaving and female staying behind. It is of particular importance to better understand the effects of this mostly male outmigration in order to develop gender sensitive solutions to improve the development relevance of remittances. However, the studies show that the short-term seasonal migrants generally sent low amount of money as remittances to their household than the long-term international migration (Hollema, Pahari, Regmi, & Adhikari, 2008). Therefore, the seasonal labor migration is a fundamental aspect of rural livelihoods and a noticeable source of economic benefit in the poor communities of the middle hill of Nepal.

Due to the lack of proper studies on the impact of seasonal labor migration and its impact on the rural livelihoods, this study will support mainly on the seasonal labor migration from Arghakhanchi district as a case study and its impact on the socioeconomic and livelihoods of the poor communities in the middle hill of Nepal.

### **Theoretical Perspectives**

Migration of people for labor is gaining importance globally, as the remittances migrants send home to their families account for a significant share of the overall household income, particularly so for poor households. Seasonal migration is one of the most common coping strategies adopted by poor households to stabilize their livelihoods and to adapt to climate, political and economic changes. It is also one of the only means for poor rural farm households to overcome shortfalls of seasonal agricultural income and employment.

Migration from one area to another in search of improved livelihoods is a key feature of human history (Srivastava & Sasikumar, 2003). These moves might be of short to long distance as well as of short to long duration (Kosinski & Prothero, 1975; Massey, 1990). It is evident from the available literature that there is a widespread occurrence of temporary and seasonal migration for employment in developing countries (Brauw, 2007; Deshingkar & Farrington, 2006; Hugo, 1982; Lam et al., 2007; Mberu, 2006; Yang, 1992). Seasonal migration is also one of the most significant livelihood strategies, adopted among the poorest section in the middle hill of Nepal, predominantly in the form of seasonal mobility of labour (Bremán, 1978; Bremán, 1996; Deshingkar & Farrington, 2009; Deshingkar & Start, 2003; Haberfeld et al., 1999; Mosse et al., 2005; Rao & Rana, 1997; Rogaly, 1998; Rogaly et al., 2001).

The livelihood approach departs from earlier narrow economics approaches and Marxist approaches of political and institutional analysis to understand migration as one of the strategies adopted by individuals, households or communities to enhance their livelihoods (Skeldon, 2002; Kothari, 2002; Ellis, 2000; 2003; de Haan, 1999; 2000; Deshingkar, 2004; McDowell & de Haan 1997). Recent theories go beyond the Marxist and neo-classical economics interpretations by incorporating livelihoods and social exclusion perspectives (Deshingkar & Start, 2003). According to Kothari (2002), livelihood strategies are diverse and multiple but migration remains a central component for many poor people in developing countries.

Temporary migration, often used interchangeably with circular, seasonal, short-term and spontaneous migration, has been a subject of much discourse. It is a sort of mobility where the economic activity of a person is moved but not the usual residence (Bilsborrow et al., 1984). Researchers and statisticians differ on the definition of temporary migration in respect to the duration of stay. However, there is an agreement on the fact that the temporary but uninterrupted absence from the place of origin is an important condition for temporary migration (Hugo, 1982; Zelinsky, 1971). In essence, temporary migration is a move made for a short period of time with the intention of returning to the place of usual residence. An important group of circular migrants consists of seasonal migrants, those who combine activities in several places according to seasonal labour requirements. Six months is generally used as the maximum duration of a temporary move (Mberu, 2006; Pham & Hill, 2008; Srivastava & Sasikumar, 2003).

Therefore, seasonal migration for employment has become one of the most hard-wearing components of the livelihood strategies of people living in rural areas. Migration is not just by the very poor during times of crisis for survival and coping but has increasingly become an accumulative option for the poor and non-poor alike (Deshingkar & Start, 2003). Therefore, this study draws few theoretical attentions, which are basically focused on the seasonal labour migration and livelihoods. Therefore, migration is one of the most important processes of population change and the livelihood diversification strategy. However, in the case of Nepal, particularly in the field of migration, numerous studies have done but its relationship with the livelihood opportunities, its diversification and dynamics are lacking behind. Regarding this gap, this study draws theoretically on the concept of the livelihoods and seasonal labor migration in the context of a rural farming economy. My assumption in this research paper is support to analyzes how seasonal migration as a livelihood activity contributes to the rural household in the middle hill of Nepal.

A livelihood is sustainable when it can cope with, recover from stresses and shocks, and maintain its capabilities and assets (Chambers & Conway 1992; Tanner et al., 2015; Subedi 2017). However, Subedi argues that when livelihoods are not resilient; they become vulnerable (Subedi, 2017). This is the argument earlier addressed by (Turner, et al., 2003) with vulnerability is a condition in which people or systems are unable to cope with environmental and other disturbances and therefore become susceptible to change to a more undesirable state.

This study, therefore, examines the process of seasonal migration in light of the migration livelihood framework approach. The approach argues that migration is one of the most durable components of the livelihood strategies of people living in rural areas. It focuses on the need for a multi-disciplinary and people-centered perspective, and that the livelihoods of people are not restricted to one particular economic sector. According to the proponents of this approach, seasonal migration has become a common livelihood strategy of poor households which helps to smooth seasonal income fluctuations and earns extra cash so as to supplement income, which in turn, positively contribute to poverty reduction and development (Ellis, 2003).



## **Objective/Methodology**

The study aims at analyzing the relation between livelihoods and human mobility in two rural communities of Arghakhanchi district in Nepal and examining the differences in livelihood and human mobility patterns between households.

Seasonal labor migration, the focus of this study, is only one of several off-farm activities adopted by communities' in Arghakhanchi (Ghimire, 1997). Similarly, climate change is only one of many factors that drive migration in such communities (Black, Arnell, Adger, Thomas, & Geddes, 2013). Therefore, most of the inquiries were surrounded within climate change and the seasonal labour migration. The fieldwork was conducted in September 2014, in which a questionnaire for a household socioeconomic survey was used for the 321 households. In the household survey, the information about household demographics, landholdings and agricultural production, involvement in off-farm activities including migration, and income and expenditure patterns were collected.

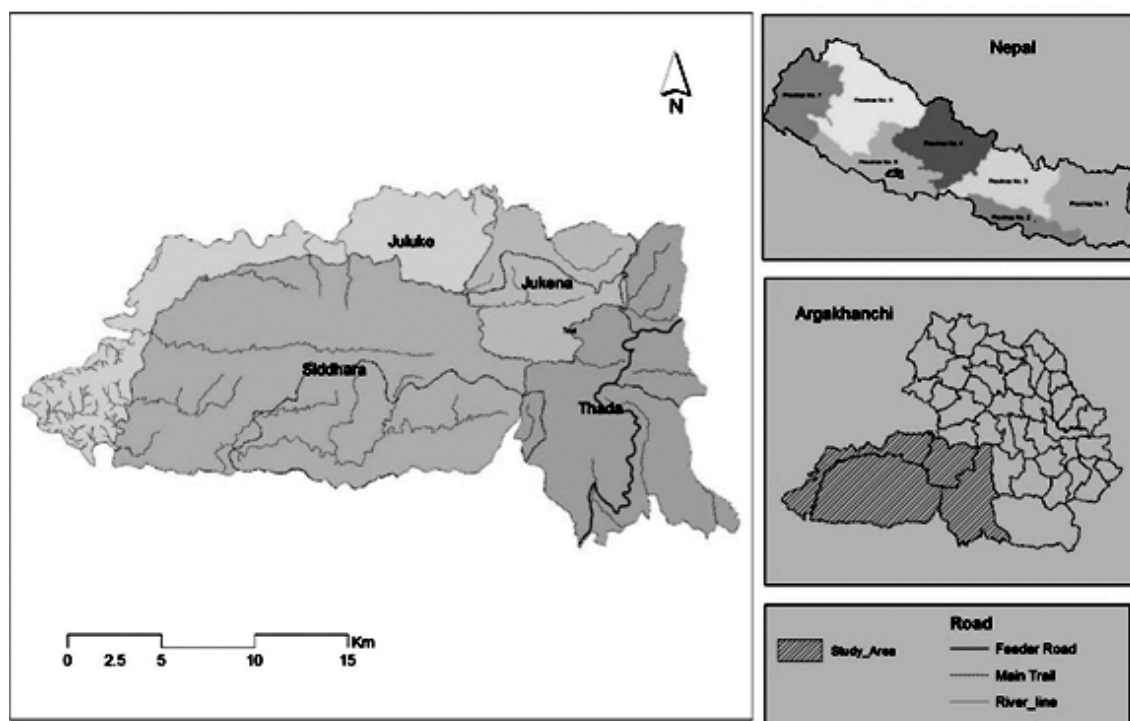
Purposively, the number of households were selected and interviewed. In addition to that, a checklist is also used for focus group discussions. The key informant interview and focus group discussions were conducted immediately after household survey. In the fieldwork purpose, major dominant caste/ethnic groups were included from four rural municipalities: Jaluke, Jukena, Siddhara and Thada (Figure 1).

In focus group discussions, participants discuss a topic specified by the researcher. Four focus group discussions were held with 45 participants including 19 women. In the household survey, mainly discussed on the livelihood strategies, seasonal labor migration, climate change, coping strategies as well as off-farm activities on which the local people are engaged. Similarly, in the issue of migration, information gathered on migrants' work destinations, type of work, wages and savings, and their contribution to household economies, etc. Apart from migration, the focus group participants also described their involvement in a number of other off-farm income sectors. Both, the qualitative and quantitative information were gathered through the different types of methods, which were used in this research. The qualitative information acquired from the focus group discussions and key informant interview, which were supplemented by the quantitative information.

## **Data collection and analysis**

The migrant source areas are Siddhara, Thada, Jukena and Jaluke rural municipalities of Arghakhanchi District in northwestern Nepal (27.9829° N, 83.0361° E. Figure 1). Arghakhanchi district lies in the middle hill region of Nepal and it has just been connected to the national road network at Gorusinghe. Their poorly developed soils, harsh topography, limit the availability of arable land and the ability of local communities to support themselves through farming. However, agriculture is the backbone of the people in the study area. In this area, varieties of





**Figure 1:** Map of the study area . (Map by Sher Bahadur Gurung)

cash and cereals crops are grown, such as paddy, maize, millets, wheat, pulses, other cereals and vegetables. They produce large amount in quantity and these products are extensively used for household consumption only. The selected rural municipalities also produce varieties of vegetables (cauliflower, cabbage, tomato, etc.) and fruits (orange, banana and lemon), which are also sources of agro-based income the rural people. Cattle, buffalo and sheep are also the noticeable sources of livestock farming in the study area.

In the study area of Arghakhanchi district, most of the family members are engaged in other sources of income than traditional agriculture like doing services, trade and foreign employment etc. Regarding the issue of foreign employment, the seasonal migration has brought significant changes in the rural livelihoods, particularly in the developing countries like Nepal and with special reference to my study area. Remittance is the dominant financial capital of the local people and have very strong social network (Gautam, 2017) and their major destinations for foreign employment are Korea, Gulf countries, India and Malaysia.

## Results and discussion

### *Seasonal migration and livelihoods*

Out of 321 households surveyed in the study area, 186 (58 Percent) had at least one member who migrated in 2014. The average duration of an immigrant away from home is approximately 4.6 months. The variation on this average is relatively small and stands at 3.1 months.

Table 1: Major destinations of seasonal migrants		
Destination	No. of migrants' hhs	Percentage
Uttarkhanda	63	33.9
Bhopal	48	25.8
Punjab	33	17.7
Delhi	16	8.6
Mumbai	14	7.5
Other cities	12	6.5
Total	186	100.0

Source: Field Survey, 2014.

For the majority, cities and towns in the Indian state of Uttarakhand, Bhopal and Punjab were the main destinations. From the selected villages of Arghakhanchi district, almost 34 percent were migrated as a seasonal migration at Uttarkhanda, whereas in Bhopal it is about 26 percent. Similarly, in Punjab it is about 18 percent are migrated in 2014. In addition to that, other cities, like Delhi, Mumbai as well as in southern part of the country (i.e. Chennai, Hyderabad, etc.) have almost 23 percent of the migrants. The adoption of seasonal migration showed a clear caste/ethnic dimension (Gautam, 2017), in which Dalits had the highest tendency to migrate (34 percent), which is followed by the Magar (31 percent) and Brahmin/Chhetri (27 percent); the other ethnic groups, such as Sanyasi, Gurung, etc had the smallest proportion of migrants.

Table 2: Caste and ethnic composition of the seasonal migrants		
Caste/ethnicity	No. of migrants' hhs	Percentage
Brahmin/Chhetri	51	27.4
Magar	58	31.2
Dalit	63	33.9
Sanyasi	2	1.1
Gurung	9	4.8
Others	3	1.6

Total	186	100.0
-------	-----	-------

Source: Field Survey, 2014.

With the stalling of the rural economy people have begun to move from rural areas, particularly in the lean season of agriculture, to nearby or distant major city areas for employment in construction, the garment industry or in the informal sector as a street vendor, rickshaw puller, domestic helper, or waiter and labourer in small hotels (Breman, 1994; Deshingkar & Farrington, 2009; Haberfeld et al., 1999; Vijay, 2005). Seasonal labor migration is an essential part of the lives and livelihoods of the poorest sections of the middle hill of Nepal and its significance is growing (Mosse et al., 2005). Similarly, the long-term migration appears to be dominated by males but in the case of seasonal migration, which is more frequent among the poorest of the poor and the tribal population, women and men migrate in almost equal numbers (Rao, 2005).

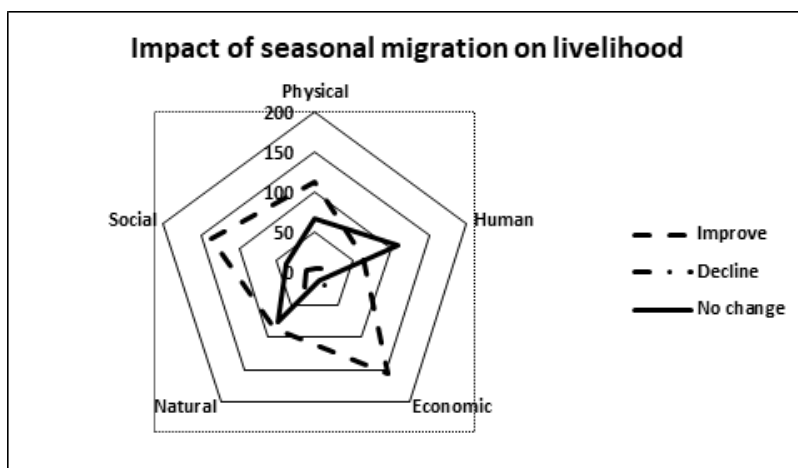
According to the local people of the study area, that seasonal migration as a source of livelihood that is practiced since the very beginning. During the agricultural lean season poor and ultra-poor prefer to migrate to Indian states and generate financial resources. As Gautam (2017) stated that, the farm labour demand is very high in during two periods in the mountainous region of the country; i.e. mid-May to mid-July, and mid-September to mid-November, Arghakhanchi district is no exception. During the winter season, there is a very less agricultural activity exists in the middle hill region. Therefore, the demand of farm labor is relatively less than in the rainy (Monsoon) season. However, in other non-farm activities, i.e. firewood collection, handicraft making, etc. mostly women carry out and male family members are nothing to do except household chores as well as the preparation of firewood in the forest. In addition to that, during the agricultural lean season, men family members prefer to migrate for economic reason. However, “modest migrants’ earnings are, migration has a double benefit: It reduces home consumption without reducing the labour available for farming, and remittances, whatever the amount, help fill the food deficit and meet nonfood needs (Gautam, 2017)”.

It seems that the seasonal migration to Indian cities have affected to the diverse livelihood assets in the study area. For instance, during the interview, majority of the participants noticed that they have positive change on their basic livelihood assets. Almost 84 percent of the respondents have significantly improved their economic assets due to seasonal migration to India. It follows by social capital (networks, social claims, social relations, etc.) with about 74 percent of the respondents, whereas physical capital (about 61 percent) is in the next, because they were able to reconstruct their house as well as other amenities related with physical assets. Overall, about 60 percent of the respondents realized that they have changed their livelihoods because of seasonal migration, but still about 33 percent people do not feel that they have any changed. Some of the worst-case scenario is also appeared in the study area. Almost eight percent of the respondents believe that they lost something due to seasonal migration. For example, they are in debt because of migration as well as miss their family member, deteriorate health condition and breakdown social relations.

**Table 3: Changes in major livelihood assets after seasonal migration**

Assets	Improve	Decline	No change
Physical	60.8	2.7	36.6
Human	33.9	7.0	59.1
Economic	83.9	10.2	5.9
Natural	46.8	11.8	41.4
Social	73.7	6.5	19.9
Total	59.8	7.6	32.6

Source: Field Survey, 2014.

**Figure 2** Status of livelihood assets.

*Migrant vs non-migrant households:* More than one-half of the sampled households provided migrant labor to some of the Indian cities. The average household from which migrant labor is provided is different on every dimension, from the average household not providing migrant labor. During the focus group discussion, participants claimed that about 60 percent of the seasonal migrant households' annual income is accumulated through wages for migrant labor, while the main source of income for non-migrant households are local salaries paid to its members as well as trade and services. In addition to that, the second most important source of income for all families is agriculture. However, while for migrant households, income from agriculture constitutes less than 20 percent of its total income, it is more than one-third of non-migrant households' total income. This is in part because non-migrant households have, on average, more assets than their migrant counterparts. Overall, however, migrant households' income is significantly higher than that of non-migrant households. Comparing the two types of households on the labor supply dimension yields mixed results. On the one hand, quantity of labor available to migrant households is larger

than that available to non-migrant households, by approximately one-half of a person at prime working age. On the other hand, average education of non-migrant households' labor is higher than that of migrant households. The differing labor quality between the two types of households is further reflected in their employment opportunities. Members of non-migrant households hold better jobs than members of migrant households. Finally, the two types of households differ also in their social characteristics. Migrant households tend to belong more to the poor communities', to live in the less developed region of the district, and to stay out of the dominant communities of the elite groups.

### **Who migrate, who left behind?**

As we have seen that, many potential migrant workers require others to look after their children, their animals, their house, or their land while they are away. In general, people who stay put while others in their household migrate often rely on the savings that the migrants bring back. Savings are both in cash and kind. The extent to which those who stay put have control over the use of the cash portion of savings varies. Those who migrate and those who stay put in a particular household are interdependent. However, the division of labor and of earnings between them is often contested and is likely to change over time. Regarding the survey households in the study area, mainly poor and male family members prefer to migrate and the better economic condition as well as female had a lower tendency to migrate. In addition to that, those people who do not intend to migrate households have better economic assets than those households who have at least one migrant from their households. About 91 percent of the seasonal migrants are men. Their average age is 29.5 years, and their education levels are higher than those found among other villagers are. On average, migrant laborers have more than 3 years of schooling. Only 32 percent of the sampled migrants were illiterate. About 30 percent of them were literate, yet did not complete the primary education level. The largest group among the seasonal migrants (38 percent) is that of people with post-primary school education. This profile indicates that the migrant workers are probably positively self-selected. Non-immigrants of the age of 15 years or above are both older and less educated than the immigrants. Their average age is 35 years and they completed, on average, 2.5 years of schooling. Even if we restrict the age of non-immigrants to include only those between the ages of 15–55 years, still their average years of schooling is lower than that of the immigrants.

### **Remittances and livelihoods**

Many households depend partly on remittances in order to maintain a healthy state of economic wellbeing. As stated above that fifty-six percent of all sampled household income was derived from waged work and income from informal trade and casual work, etc. However, the survey result shows that most of the migrants worked in construction sites, agriculture sectors or as porters or other kind of helpers and cleaners in restaurants. An additional 36 percent of the households were obtained from remittances of money and goods from migrants, and the rest

was from other sources, including agriculture. Out of 186 migrants in 2014 A.D. from selected VDCs of Arghakhanchi district, 87 percent of migrants remitted through formal channel (i.e. bank transfer, money transfer, etc.), whereas, the remaining seasonal migrants either use unofficial channel or prefer to carry the money home personally. Therefore, almost everyone was consistent in using the most preferred money transfer method. This is largely because it was perceived to be highly reliable. Similarly, the household survey indicates the peak frequency (71 percent) of remittance was once a month; 7 percent of migrants remitted at least twice a month, 16 percent did so once every three months or later, but the remaining is uncertain.

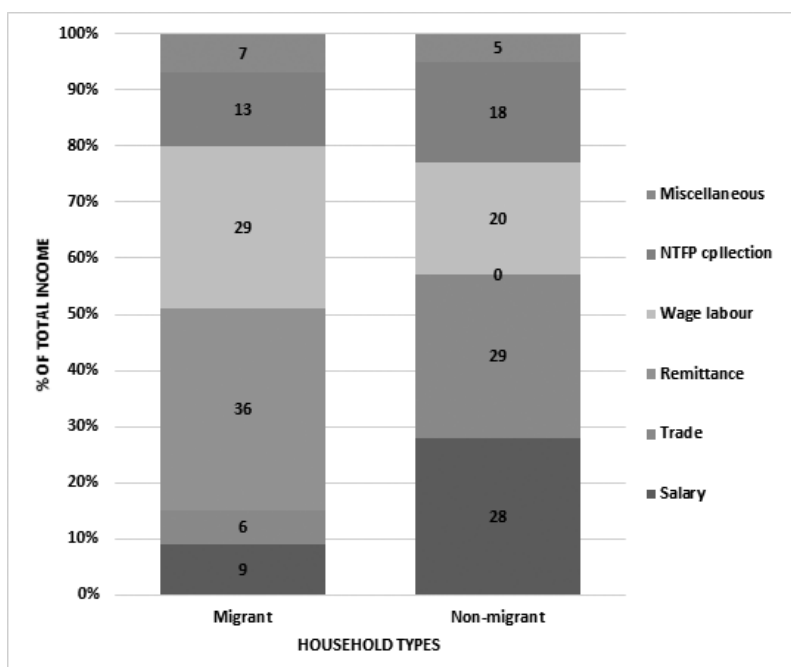
The participants expressed their experiences while they were also involved in the seasonal migration in India and told that all 3D type of jobs (dirty, dangerous and demanding) are poorly paid; after paying for their own food and lodging, migrants were only able to save, on average, about 20,000 Nepali Rupees (approximately US\$ 190) in 2014. After receive salary, they prefer to go for shopping to fulfill their household needs as well as other purposes, for instance, clothes, utensils, or small electronic items such as mobile phones. According to the local people that sometimes, the migrants come back to home without money because they spend all for household items. It seems that the seasonal migration sometimes create frustration to the local people.

**Table 4: Major sources of income**

Categories	Migrant	Non-migrant
Salary	9	28
Trade	6	29
Remittance	36	0
Wage labor	29	20
NTFP collection	13	18
Miscellaneous	7	5
Total	100	100

Source: Field Survey, 2014.

Even more than 50 percent of the sample households send their family members as seasonal migrants cover only 36 percent of their household income. It means that rest of the income they have to generate through different means of sources, i.e. wage labor, NTFP collection, salary and others for their livelihood. According to them, more than 60 percent of the migrant households are from the poor family and they do not have food sufficiency throughout the year only through the other sources of income rather than seasonal migration. Therefore, they compelled to migrate for food security as well as for their daily needs. However, the situations with the non-migrant households have differed than the migrant family. Almost eighty percent of the income they received from trade, salary and wage labor.



**Figure 3:** Off-farm income sources for Arghakhanchi households ( $n = 321$ ). Note: After Gautam, 2017.

## Conclusion

In Arghakhanchi, seasonal migration is a part of livelihood diversification strategy, which helps to minimize the food security related issue. Based on available evidence, seasonal migration can be viewed as making a positive contribution to the livelihoods of the rural poor. The evidence presented here indicates that, at least in the middle hill, such migration may be no more than a coping mechanism. In addition to that, however, seasonal migration seems capable of making a strong positive contribution to support for livelihoods deprivation in at least some households and help them to improve their living standards, but not accumulate other livelihood assets. Therefore, it ultimately helps to accumulate cash and support for the sustainability of the well-being. Seasonal migration also plays a vital role in maintaining production levels by ‘lubricating’ a labor market that is generally characterized by structural rigidities and inefficiencies (Acharya, 2000; Seddon & Subedi, 2000). Undoubtedly, this contribution could be greatly improved to the benefit of consumers, producers and migrants if labor markets were to be made more efficient through improved information flows and reduced transaction costs. However, the low paying jobs in Indian cities they are not able to accumulate savings and supportive role to play to reduce the household food deficit.

Therefore, seasonal migration in the middle hill district, like Arghakhanchi results from highly complex push factors, such as high levels of poverty and food insecurity, as well as pull factors, such as seasonal employment opportunities elsewhere, with flows mainly going from the



economically poor regions to the well-off cities within the county and better developed areas in Indian cities. Migration is on the rise, with new areas employment arising faster than older ones are disappearing. In addition to that, seasonal labor migration is an increasing phenomenon, and in the poorest villages of the study area, it is the main livelihood source for the poor households. The evidences clearly reflect that in the study area, agricultural work dominates, but there are important flows for non-agricultural work.

While the present survey adds to existing knowledge on seasonal labor migration at the macro level, much more needs to be done before concrete new policy measures can be recommended. A fully resourced study needs to be conducted if the dimensions and dynamics of this important issue are to be properly understood.

## References

- Acharya, M. (2000) Labour market development and poverty (with Focus on Opportunities for Women) in Nepal, Kathmandu: Thanka Prasad Acharya Foundation in Co-operation with Friedrich-Ebert-Shiftung.
- Acosta P, Calderon C, Fajnzylber P, and Lopez H. (2008). What is the impact of international remittances on poverty and inequality in Latin America? *World Development* 36:89–114.
- Bilsborrow, R. E., Oberai A. S., and Standing G. (1984), Migration Surveys in Low Income Countries: Guidelines for Survey and Questionnaire Design, London and Sydney, Croom Helm.
- Black, R Arnell NW, Adger WN, Thomas, D, and Geddes A. (2013). Migration, immobility and displacement outcomes following extreme events. *Environmental Science and Policy* 27: S32–S43.
- Brau, A. D. (2007). Seasonal migration and agriculture in Viet Nam, ESA Working Paper No. 07-04, Agricultural Development Economics Division, The Food and Agriculture Organization of the United Nations.
- Breman, J. (1978). Seasonal migration and co-operative capitalism: crushing of cane and of labour by sugar factories of Bardoli. *Economic and Political Weekly*, 13(31/33), 1317-1360.
- Breman, J. (1994). Wage hunters and gatherers: Search for work in the urban and rural economy of South Gujarat, Delhi, Oxford University Press.
- Breman, J. (1996), Footloose labour: Working in India's informal economy, Cambridge, Cambridge University Press.
- Chambers R, and Conway G. (1992). *Sustainable rural livelihoods: Practical concepts for the 21st century*. IDS Discussion Paper 296. Brighton, United Kingdom: Institute of Development

Studies(UK).

- de Haan, A. 1999. Livelihoods and poverty: The role of migration- A critical review of the migration literature. *Journal of Development Studies*. Vol. 36, No.2.
- de Haan, A. 2000. Migrants, livelihoods, and rights: The relevance of migration in development policies. *Social Development Working Paper No.4*. London: DFID.
- Deshingkar P., and Farrington J. (2006). Rural labour markets and migration in South Asia: Evidences from India and Bangladesh, background paper for the world development report, 2008, London, Overseas Development Institute.
- Deshingkar P., and Farrington J. (2009). Circular migration and multilocal livelihood strategies in rural India, New York, Oxford University Press.
- Deshingkar P., and Start D. (2003), Seasonal migration for livelihoods in India: Coping, accumulation and exclusion. Overseas Development Institute, Working Paper 220, London, Overseas Development Institute.
- Deshingkar, P. 2004. Understanding the implication of migration for pro-poor agricultural growth. Paper prepared for the DAC POVNET Agricultural Task Group Meeting. Helsinki: Overseas Development Institute.
- Ellis F. (2000). The determinants of rural livelihood diversification in developing countries. *Journal of Agricultural Economics* 51:289–302.
- Ellis, F. (2003). *A livelihoods approach to migration and poverty reduction*. Paper Commissioned by the Department for International Development (DFID), University of East Anglia, Norwich NR4 7TJ.
- Gautam. Y. (2017). Seasonal migration and livelihood resilience in the face of climate change in Nepal. *Mountain Research Development*, 37 (4): 436-445.
- Ghimire, B N. (1997). *Migration and employment: A case study of Sandikharka VDC of Arghakhachhi District*, MA Thesis (Geography), TU, Nepal.
- Haberfeld Y, Menaria RK, Sahoo BB, and Vyas RN. (1999). Seasonal migration of rural labor in India. *Population Research and Policy Review* 18:471–487.
- Hollema S, Pahari K, Regmi P, and Adhikari J. (2008). *Passage to India: Migration as a coping strategy in times of crisis in Nepal*. Kathmandu, Nepal: World Food Programme, Nepal Development Research Institute.
- Hugo, G.J. (1982). Circular migration in Indonesia, *Population and Development Review*, 8(1), 59-83.

- Kosinski L. A., and Prothero R. M. (1975), *People on the move*, London, Methuen and Co.
- Kothari, U. 2002. *Migration and chronic poverty*. Institute for Development Policy and Management Working Paper No 16, University of Manchester.
- Lam T. Q., John B. R., Chamrathirong A., and Sawangdee Y. (2007). Labour migration in Kanchanaburi demographic surveillance system: characteristics and determinants. *Journal of Population and Social Studies*, 16(1), 117-144.
- Massey D. (1990). Social structure, household strategies, and cumulative causation of migration. *Population Index*, 56(1), 3-26.
- Mberu B. U. (2006). Internal migration and household living conditions in Ethiopia. *Demographic Research*, 14(21), 509-540.
- McDowell, C. and de Haan, A. (1997). *Migration and sustainable livelihoods: A critical review of the literature*. IDS Working Paper 65. Brighton: IDS.
- Mosse D., Gupta S., and Shah V. (2005). On the margins in the city: adivasi seasonal labour migration in western India. *Economic and Political Weekly*, July, 3025-3038.
- Olimavo, S. and Olimov, M. (2007). Labour migration from mountain areas in the central Asian region: Good or evil? *Mountain Research and Development*, 27 (2): 104-108.
- Pham B. N., and Hill P. S. (2008). The role of temporary migration in rural household economic strategy in a transitional period for the economy of Vietnam. *Asian Population Studies*, 4(1), 57-75.
- Rao, N. (2005). Power, culture and resources in gendered seasonal migration from Santhal Parganas. in Aray S., Roy A. (eds.), *Poverty, Gender and Migration*. New Delhi: Sage Publications.
- Rao, N., and Rana K. (1997). Women's labour and migration: the case of the Santhals. *Economic and Political Weekly*, 32(50), 3187-3189.
- Rogaly, B. (1998). Workers on the move: seasonal migration and changing social relations in rural India. *Gender and Development*, 6(1), 21-29.
- Rogaly, B., Biswas J., Coppard D., Rafique A., Rana K., and Sengupta A. (2001). Seasonal migration, social change and migrants' rights: lessons from West Bengal. *Economic and Political Weekly*, 36(49), 4547-4559.
- Seddon, D. and Subedi, B. P. (2000) *Labour Markets and the Poor*, Report for DFID Nepal, Norwich: Overseas Development Group, University of East Anglia (September).

- Skeldon, R. (2002). Migration and Poverty. *Asia-Pacific Population Journal* 17.
- Srivastava, R., and Sasikumar S.K. (2003). An overview of migration in India, its impacts and key issues. Paper presented at Regional Conference on Migration, Development and Pro-Poor Policy Choices in Asia, at Dhaka. Available: [http://www.eldis.org/assets/Docs/upload/1/document/0903/Dhaka. CP\\_2.pdf](http://www.eldis.org/assets/Docs/upload/1/document/0903/Dhaka_CP_2.pdf). Accessed, 2018 March 3.
- Subedi, BP. (2017). Livelihood diversification amidst shocks and stresses in the mountains in Nepal: Experiences from villages of Mustang. In A. Li et al. (eds.), *Land cover change and its eco-environmental responses in Nepal*. Springer Geography, DOI 10.1007/978-981-10-2890-8\_15: 327-358
- Tanner, T, Lewis D, Wrathall D, Bronen R, Cradock-Henry N, Huq S, Lawless C, Nawrotzki R, Prasad V, and Rahman MA. (2015). Livelihood resilience in the face of climate change. *Nature Climate Change* 5:23–26.
- Vijay, G. (2005). Migration, vulnerability and insecurity in new industrial labour markets. *Economic and Political Weekly*, June, 2304-2312.
- World Bank (2017). Personal remittances, received (% of GDP). *World Bank Online Data Portal*. <https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=NP&page=3>; accessed on 09 October 2017.
- Yang X. (1992). Temporary migration and its frequency from urban households in China. *Asia Pacific Population Journal*, 7(1), 27-50.
- Zelinsky W. (1971). The hypothesis of the mobility transition. *Geographical Review*.41(2), 219-249.

## 6. CARDAMOM PRODUCTION IN KAVREPALANCHOWK

- Kiran Shrestha<sup>6</sup>

### Abstract

*Cardamom production is a potential cash crop of Kavre district. Many farmers were found to grow cardamom following traditional pattern. Women's participation in Cardamom production in Kavre is satisfactory and their roles are vital in the farm and market management. To check the status of cardamom production and women's role in Kavre, the researcher visited the District Agriculture Office and used snowball sampling technique to collect the primary data. For the secondary data, library method has been applied. Although the production and women's participation are highly encouraging, the farmers are reluctant to invest and produce cardamom at large scale. The study has found that the farmers need the entrepreneurship training, support and empowerment for mass production of cardamom. The future of cardamom production is bright in Kavre.*

**Key Words:** Cardamom, Women participation in cardamom, cash crop.

### Introduction

Large cardamom *Anumum Sublemetum Roxb*- Cardamom refers to several plants of the genera *Elettaria* and *Amomum* in the ginger family *Zingiberaceae*. It is mainly cultivated in the eastern hilly districts of Nepal as a cash crop. Around 70,000 farmers of eastern Nepal are involved in its production. cardamom was introduced into Nepal (Ilam) in 1865, by Nepalese laborers who went to Sikkim for seasonal work. However, planned development of large cardamom was found to be started after establishment of Cardamom Development Centre at Fikkal, Ilam district in 1975. In the world, 16 cultivars of large cardamom are reported. Among them, only limited cultivar of large cardamom is cultivating in Nepal namely, *Ramsai*, *Golsai*, *Chibesai*, *Dambersai*, *Sawney*, and *Kanti daar*. Similarly, farmers are currently evaluating new cultivar known as *Salkpure* since three year in Ilam (GON, 2015). It is climate sensitive crop as it strictly requires cool, moist soil, humid under shaded area, range of 700- 2100 meter from above sea level for better performance. It is being commercially cultivated in more than 37 districts mainly in Ilam, Panchthar, Taplejung, Dhankuta, Terathum Sankhuwasabha and Bhojpur districts and nearly 67,000 families are directly and indirectly involved in this farming.

Kavre:

Kavre district is culturally rich with historical places like Dhulikhel, Panauti, Banepa and Chandeni Mandan. Chandeni mandan is interesting place for tourism it cover the low and high point of the district, low point is Indrawoti river and highest point is Thamdanda (interesting place of hiking and 360 degree site viewing including top of the world) Big religious fairs like Chandeshwari Jatra of Banepa, Namobuddha Jatra of Namobuddha celebrated on the birth date of Lord Buddha (Buddha Purnima), Kumbha Mela of Panauti which happens once in 12 years, are

---

<sup>6</sup> Mr. Shrestha is a PhD scholar and working as a lecturer at SV Academy Kathmandu.

some interesting events to view. Kavre district has great potential in raising its local economy with tourism. Kavre has same potential as that of other tourist sites of Nepal like Pokhara and Jomsom. Kuseshwor Mahadev Daneshwor Mahadev, Banepa Chandeshworimata, Panauti Indrashwor Mahadev, Nala Bhagawati, Eklekkhet Dankali Devi, Sankhu Kalidevi, Timal Narayan Dham, Palanchowk Bhagawati, Panauti Kedhareshwor Mahadev, Khopasi Fadkeshwor Mahadev, Ladku Ladkeshwor Mahadev are the very famous places of Kavre.

The Long Himalayan Gaurishankar range can be seen from Dhulikhel. Kavre is famous for short circuit trekking in places like Dhungkharka-Narayanthan, Dhulikhel-Kavre-Namobuddha-Sankhu-Panauti-Banepa. Some places to visit here in Kavrepalanchowk districts are: Palanchowk Bhagwati, Namobuddha, Dhulikhel, Gaukhureshwar, Hajar Sidhi (1000 Steps to Kali Devi Temple), Devasthan (where Kali Devi Temple is situated), Talu Dada View Tower, Gosainthan, Banepa, Khopasi, Psthali, Balthali, Ladkeshwar Mahadev, Nepalthok, Patlekhet, Phulbari, Dapcha and many more.

Kavrepalanchowk is one of 77 districts of Nepal, near Kathmandu valley having the area of 1396 sq.ft., situated to mid-hilly area majorly having the subtropical climate and elevation range of 280 meters to 3018 meters (Bethanchok Narayan Danda). It is bordered to the east by Ramechhap and Dolakha, west by Kathmandu valley, north by Sindhupalchowk and south by Sindhuli and Makawanpur.

Effective technology transfer and higher adoption of developed technologies through multidimensional awareness and motivational participatory program will be necessary tool in large cardamom development among Nepalese farmers (Yadav, Shrestha, & Mandal, 2015) According to those researchers' conclusion we need effective technology transfer in necessary for cardamom production. If we have mass production of large cardamom the socio cultural status of the people will be uplifted.

Researcher Sunita Yadav has mentioned in her conclusions that many forest related acts, rules and regulations like NBSIP (2006-2010), Forest Act 1993 and Regulation 1995, Herbs and NTFP Development policy 2004 have not specific provision for cardamom cultivation in Nepal. Therefore, national policies should develop policies for cardamom cultivation in Nepal. (Yadav S. , 2013) In regards to Ms Yadav there is the necessity of strong and effective Cardamom policy in order facilitates the cultivation and production of large cardamom.

Sony KC, Bishnu Raj Upreti and Bashu Prasad Subedi , have stated in their research on “We know the taste of sugar because of cardamom production”: Links among Commercial Cardamom Farming, Women’s Involvement in Production and the Feminization of Poverty additional research and analysis stemming out of the proceedings of this paper would be beneficial in framing and designing policies in the gender and commercial labor market sector, particularly for rural Nepal (KC, Upreti, & Subedi, 2016). Shortcomings in Nepalese cardamom production are remaining for insufficient saplings supply; large ageing of shading plants, lack of research outputs and quality based improved dryers. Weaknesses are also seen in marketing and trade as lacking of Auction

Market, ware house, suitable brandings, equipped quarantine laboratory as well as organized trading systems are importantly exist (Government of Nepal, 2015). Considering the conclusions of the above three researchers the society must be provided with trainings policies in order to uplift their social status.

Strong policies and strategies have to be formulated in order to strengthen the production of large cardamom, from the research perspective the research question of the study will be, what is the impact of cardamom production in the socio culture livelihood market of eastern Nepal?

A highly motivated farmer Upendra Timilsina, Rayale Lamidada, Panauti-1, in Kavrepalanchowk district said, "Farming cardamom was a new thing for me. I started it with seeds brought from Ilam district as everyone rated cardamom seeds of Ilam highly. But every time I planted them, they did not grow. It was very discouraging," he said, adding, "The failures accumulated loans, one after another. I once even contemplated committing suicide after being unable to repay the loans." (Guragain, 2017). Further District Agriculture Development Office (DADO), Kavre, later started helping the local farmers by providing them with technical help and skills development trainings. "Their help greatly aided in the production and marketing of cardamom plants. Farmers like us achieved more and more success after the help of DADO," said Timilsina.

He said that demands increased for cardamom's plant within and outside the district. After realizing the market prospects, Timilsina registered Fulchoki Multi-Purpose Model Nursery and started commercially producing its seeds and plants. He proudly shared that he is preparing 400,000 plants for sale this year. "Last year, my firm failed to meet the market demand. The demand for the plants is overwhelming this year as well." Likewise, Timilsina's brother, who has been in foreign employment since the past 18 years, has joined him in cardamom farming (Guragain, 2017). The cardamom plants produced by his firm are exported to Ramechhap, Dolakha, Sindhupalchowk, Dhading, Rukum, and many other districts of far western region. If cardamom plants get good fertilization, it bears fruit within 2-3 years, farmers said. "At present, demands for seeds is higher than plants. We have been sending seeds to as far as Ilam, Bhojpur, Taplejung and Sankhuwasabha among other districts. We have also formed groups with the villagers in order to meet the ever growing demand of our growing market," Timilsina informed (Guragain, 2017). This information evoked the researcher to conduct a study in Kavre district. Nepal has been well known from prehistoric times as the land of spices.

Spices are high value and low volume commodities of commerce in the world market. The estimated growth rate for spices demand in the world is around 3.19% and in burgeoning trend (GON, 2015). There are 109 spices has been growing worldwide, 70 spices grown in Asia and more than 20 grown in Nepal. Among them it is high value potential endemic cash crop in mid hills of eastern development region of Nepal. Cardamom is lucrative and promising and viable agribusiness cash crops of the mid hills and main sources for the monetary requirement to the farmers. It is one of the important export leading agricultural commodities because of comparative advantage and competitive socio-economic aspect (GON, 2015). Nepal cardamom is evergreen



vegetation agriculture commodity that promotes agro-ecotourism and build up pollution free and aesthetic environment to its periphery. It helps in soil conservation.

This industry attracts internal and external tourists that enhance long term economic growth and sustainable development. This commodity is socio-economically viable and ecologically versatile crop at national and local level. Although it is introduced during 1865 from India, its commercial cultivation only started from 1953 in Ilam district of Nepal. Thereafter, Cardamom Development Centre was established in Pandam, Ilam district during 1975 for extension of large cardamom growing areas.

## Methodology

For this research the author had visited the Kavre district and visited the District Agriculture Development Office (DADO) situated in Dhulikhel for secondary data collections. Cardamom in Kavre is cultivated in Ryale Kushadevi - Bhumidanda presently in Panauti Municipality and also in Baluwapati, Nyaldum, Chalala Ganesthan, Gothaapani and Sano Bantali. About 150 farmers have cultivated Cardamom in 90 Hectors of land in 073/074 fiscal year, 81 metric ton of cardamom was grown in Kave District. .*Ramsahi*, *Golsahi* and *Jirmale* types are cultivated in Kavre. There are both primary and secondary cultivation of Cardamom in Kavre (DADO, 2018). Sampling was taken about 10% of the total populations of the cardamom farmers by visiting them. I have applied following methods for sampling The above data was obtained by personally interviewing the Extension Agriculture officer of DADO office Kavre Palanchowk district. Purposive Method and Snowball sampling methods were applied to collect the primary data and secondary data were collected from DADO Kavre and the statistical bureau of Nepal.

## Analysis and Discussion

### Cardamom Production in Kavrepalanchowk

SN	Name of respondent	Land	Cultivation	Product 1st year	Production 2nd year	Production 3 <sup>rd</sup> year
1	Upendra Timsina	1 Ropani	2061	40 kg	90 kg	120 kg
2	Lok pd Accharya	10 Ropani	2064	100 kg	150 kg	200 kg
3	Jureli sapkota	2 Ropani	2067	70 Kg	90 kg	110 kg
4	Ram Krishparajuli	5 Ropani	2061	40 kg	80 kg	95 kg
5	Kamala Acharya	1 Ropani	2065	15 kg	30 kg	35 kg
6	Sashi Adhikari	3 Ropani	2061	15 kg	20 kg	25 Kg
7	Gun Nath Sapkota	3 Ropani	2055	65 kg	90 kg	150 kg
8	Surya bd Tamang	1 Ropani	2068	15 kg	20 kg	10 kg
9	Narayan Pd sapkota	1 Ropani	2052	15 kg	15 kg	10 kg
10	Bed Prasad sapkota	1 Ropani	2061	16 kg	20 kg	22 kg

11	Dillip sapkota	3 Ropani	2062	15kg	22kg	5kg
12	Sabhu thapa	1 . 5 Ropani	2067	30kg	40kg	50kg
13	Gyan Bd Thapa	5 Ropani	2068	40kg	50kg	60kg
14	Ram lila thapa	3 Ropani	2064	5kg	15kg	15kg
15	Dhana Thapa	1Ropani	2070	1kg	-	-

(Source: Field Survey, 2018)

In Kavre, Agriculture Enterprises Center, a private sector under the Federation of Nepalese Chamber of Commerce and Industries, collects prices from different domestic markets and disseminates to the members providing market information. This institution advocates for the growth of large cardamom industry with government, encourages export promotion programs. It also helps to finalize the certificate of origin to needy. Presently, with the financial support of the TEPC, AEC constructs improved dryers in new cardamom production areas such as Kavre, Dolakha and Sindhuplachowk. Till now 300 improved dryers have been constructed in the other districts as Rolpa, Lamjung, Taplejung and Bhojpur (Government, 2015). NSCDP, a national level institution, is responsible for cardamom policy formation, implementing and supporting budgetary issues at respective districts. The aspect of technology transfers all over the cardamom growing districts comes through this organization operating under the Department of Agriculture. Policy and its implementing constraints, subsidies including national coordination aspects are also led by NSDP. With 50 percent of subsidies four improved dryers have been constructed in Kavre, Dolakha, Sindhupalchowk districts in current FY 2071/72 as well as 40 cardamom nurseries have been established within this same fiscal year (Government, 2015).

Natives of Mountains of South west India is known as the Cardamom Hills (Naeir, 1983). Cardamom was used by Hindus in ceremonies to pay respect to the recently deceased. Ancient Indians, more than 1,000 years before Christ, used cardamom medicinally to treat various maladies (KC, Uprety, & Subedi, 2016). It is believed that the West got its first taste of cardamom when Alexander the Great brought it back from India. It was used widely in Europe to treat digestive problems (Subba & Ghosh, 2017). Because this herb is considered an aphrodisiac, Culpeper assigned it to Venus. But it is all Mars--warming and stimulating. Often described as sweet and having "grateful warmth". It is frequently found in love charms (or perhaps better to say lust charms), but as a Mars herb, it can be equally effective in magical protection. It is a stimulant to the mind and warming to the body, said to uplift the spirits, calm the nerves, and help clarify thinking. It was known in 4 century BC to the Latin. The *Lepchas* were first to collect the leaves of cardamom for medicinal herbs and later developed farming (Yadav, Shrestha, & Mandal, 2015). Thus from the discussion of the data shown in table the potentiality of cardamom production in Kavre is very high although the farmers are not very much motivated on this cash crop.

## Roles of Women in Cardamom Production in Kavre

The overall literacy rate is 51% for women and 72% for men, and this gender difference in literacy is more pronounced in rural areas. This lack of knowledge lowers self-confidence and affects other activities in the value chain in that women are unable to bargain for better quality inputs or practice professional farming, for example (Govt. of Nepal, 2015). Women's businesses tend to be small and thus subject to high volatility and unable to leverage credit to grow the business. Even though both men and women equally work in this sector, women tend to do more value addition work such as cleaning, cutting and grading of cardamom, while men tend to be the ones to bring the finished product to the market.

Customary norms on women's role in households and public life, which often show bias in favor of men, limit their ability to make decisions, seize opportunities and get access to productive resources (International Trade Centre -ITC, 2017). In fact, due to the legal and sociocultural norms in Nepal, women experience poverty and inequality to a greater degree. They are often excluded from formal processes and structures and lack access to market information technologies and productive inputs.

In addition to this, not all women's tasks are economically productive; rural women play roles such as caretakers of family and unpaid family workers (International Trade Centre -ITC, 2017). As their tasks are usually more tedious and time-consuming, this leads to time poverty and lost opportunities for women in attending trainings and invest in income-generating activities. In Nepal's agricultural sector, around 90% of the farmers are women and most are usually small farm operators (International Trade Centre -ITC, 2017). Both men and women have been reported to be equally engaged in cardamom farming, in preparing the farm, planting the saplings, weeding, irrigating or watering, harvesting or picking the capsules, drying the cardamom and selling the product.

However, women also perform value addition tasks which include cleaning, cutting and grading of large cardamom. It is mostly women who work in processing centers that carry out the value addition Tail cutting and cleaning: Tail cutting is a tedious process, done using simple scissors, it is carried out by women who are paid by the volume/weight that they process. Cleaning is done by both women and men. work, while it is mostly men who take the cardamom to Women in the large cardamom sector face low wages and repetitive, labor intensive tasks, especially at the processing stage (International Trade Centre -ITC, 2017). It is seen from the above table that there is considerable no of women resource used in the cardamom farming in Panauti. After the massive earthquake that took place in 2015 that vandalized more than 1000 houses in Kavreplanchowk male members of the district have been engaged in the remuneration project. Literacy rate of cardamom producers is greater than the local people. The above data obtained from the local cardamom cultivators' reveals that their off springs have admitted in the school and universities situated in nearby cities as Dhulikhel Panauti and Banepa and Kathmandu and some are professional degree holders as pilot and doctors.

The status of women in cardamom production is not different than other agriculture. Almost all the activities are conducted by women but name goes to her man. women's participation is satisfactory however wages are lower.

## Conclusions

The potentiality of cardamom production in Kavrepalanchowk is very high but the farmers are not very much motivated on this cash crop. The status of women in cardamom production is not different than other agriculture activities. Almost all the activities are conducted by women but names go to their men. women's participation is satisfactory however wages are lower. It is recommended that Kavre is a most potential district for Cardamom cultivation where the locals should invest more on research and development of farmer and cultivation process.

## References

- DADO, O. (2018, March 2). ADO. (K. Shrestha, Interviewer)
- Government Of Nepal. (2015). *Trade Flow Analysis of Large Cardamom in Eastern Nepal*. Kathmandu: Ministry of Agricultural Development, Agribusiness Promotion and Statistics Division International Trade Promotion Section.
- Government of Nepal. (2015). *Trade Flow Analysis of Large Cardamom in Eastern Nepal*. Kathmandu: Ministry of Agricultural Development, Agribusiness Promotion and Statistics Division International Trade Promotion Section.
- Government of Nepal. (2015). *Trade Flow Analysis of Large Cardamom in Eastern Region*. Kathmandu: Ministry of Agricultural Development, Agribusiness Promotion and Statistics Division, International Trade Promotion Section .
- Guragain, G. (2017, June 12). Cardamom Framing: a success story from Kavre. *My Republica*, p. 2.
- International Trade Centre -ITC. (2017). *Nepal National Sector Export Strategy LargeCardamom 2017- 2021*. Kathmanu: Government of Nepal.
- KC, S., Uprety, B. R., & Subedi, B. P. (2016). "We know the taste of sugar because of cardamom production"Links among Commercial Cardamom Farming, Women's Involvement in Production and the Feminization of Poverty1the Feminization of Poverty1. *Journal of International Women's Studies*, 202.
- Naeir, G. (1983). Marketing of Cardamom.
- Subba, S., & Ghosh, S. (2017). Status of Large Cardamom (*Amomum subulatum*)among the Major Crops in Sikkim, India. *International Journal of Current Microbiology and Applied Sciences*, 2017 1-2.

- Yadav, P. K., Shrestha, K. P., & Mandal, D. L. (2015). Present Situation and Future Strategies for Research and Development of Large Cardamom in Nepal. *Proceedings of the Stakeholders Consultation Workshop on Large Cardamom Development in Nepal*, 2015 1-8.
- Yadav, S. (2013). Cardamom cultivation and its effect in rural livelihood and its importance in international market. *MSC Thesis*, 65.

## 7. NEPALESE MUNICIPAL GOVERNANCE: A COMPARATIVE CASE STUDY OF KATHMANDU AND LALITPUR METROPOLITAN CITIES

- Rajeshwor Gyawali<sup>7</sup>

### Abstract

*Kathmandu and Lalitpur are two metropolitan cities of the Capital of federal Republic Nepal. Both cities have many identical similarities in culture, language, taste, and preferences. However, there are substantial differences in governing facilities. So, to compare the Information and Communication Technologies (ICT) infrastructure, human resource capacity, opportunities and threats to adapt governance in Kathmandu and Lalitpur. Methodologically, in depth interview with IT officers of both metro cities and library method have been conducted. The information has been verified in the legislative declaration (Council Report). ICT Infrastructure and ICT based human resource capacity are better in Kathmandu whereas ICT Adaptation opportunities and threats both are higher in Lalitpur. In comparison, Kathmandu is more advanced. Both metro cities need to work a lot to provide smart facilities to people in global context.*

**Keywords:** *E-governance, Kathmandu, Lalitpur, Metropolitan city.*

### Background

Electronic Governance (E- Governance) is the governance led by ICT. Here, ICT are electronic technologies used for information storage and retrieval. The rapid rates at which ICTs have evolved since the mid-20th century, the convergence of ICTs provides them a strong role in development and globalization. ICTs have a significant impact on all areas of human activity. The field of education has been affected by ICTs. It has affected all three aspects of education: teaching, learning, and research. A great deal of research has been conducted which proved the benefits to the quality of education. ICTs have the potential to accelerate, enrich, and develop skills to motivate as well as engage students, help to relate school experience in work practices, create economic viability for tomorrow's workers, along with strengthening teaching and helping schools change. In a rapidly changing world, basic education is essential for an individual to become able to access and apply information. Such knack must come across to include ICTs in the global village (Karmacharya, 2010). Kathmandu and Lalitpur are two metro cities within the Kathmandu valley – the capital city of Federal Nepal. Culturally, linguistically and geographically both cities are attached with each other.

The Kathmandu Valley is largest urban area in the country which has the highest literacy rate and negligible gender gap. The name Kathmandu city is named after the Kasthamandap temple, which stood in Durbar Square. In Sanskrit, Kāṣṭha means "wood" and Maṇḍap means "covered shelter". This temple is also known as 'Maru Satta': in the Newari language. This temple was built in the period of King Laxmi Narsingh Malla in 1596. The two-story structure was made entirely of

<sup>7</sup> Mr. Gyawali is PhD Scholar and Government official of Nepal.

wood and used no iron nails nor supports (Shrestha & Singh, 1972). According to legend, all the timber used to build the pagoda was obtained from a single tree. The structure collapsed during a major earthquake on 25 April 2015.

The ancient history of Kathmandu is described in its traditional myths and legends. According to Swayambhu Purana, Kathmandu valley was once a lake named "Nagdaha", as it was full of snakes. The lake was cut and drains by Manjushree with his sword, and evacuates water from there. Then after valley was named as Manjupattan, and Dharmakar was the ruler of the valley. After some time, a demon named Banasur closed the outlet, and the valley was again a lake.

Then lord Krishna came to Nepal, killed Banasur, and again drained out the water. He brought some Gopals along with him and made Bhuktaman the king of Nepal. Kotirudra Samhita of Shiva Purana, Chapter 11, shloka 18 refers to the place as Nayapala city, which was famous for its Pashupati Shivalinga. The name Nepal probably originates from this city Nayapala. Initially overall Nepal was the valley and the two big cities were in the same regime. Later on rulers divided the country as their private property to their children so it became Lalitpur, Bhaktapur, Kathmandu, Lubhu, Sankhu etc. and from that practice now there are 19 municipalities (Shrestha & Singh, 1972).

Lalitpur Metropolitan City, historically Patan, is the third largest city of Nepal after Kathmandu and Pokhara. It is located in the south-central part of Kathmandu Valley which is a new metropolitan city of Nepal. Lalitpur is also known as Manigal. It is best known for its rich cultural heritage, particularly its tradition of arts and crafts. It is called city of festival and feast, fine ancient art, making of metallic and stone carving statue (Shrestha & Singh, 1972).

Lalitpur is believed to have been founded in the third century BC by the Kirat dynasty. Kirat King Yalambar had ruled the state so it is also called Yala in local Newari language. It was later expanded by Licchavi's in the sixth century. It was further expanded by the Malla's during the medieval period (Shrestha & Singh, 1972).

There are many legends about its name. The most popular one is the legend of the God Rato Machhindranath, who was brought to the valley from Kamarup Kamachhya, located in Assam, India, by a group of three people representing the three kingdoms centered in the Kathmandu Valley.

One of them was called Lalit, a farmer who carried God Rato Machhindranath to the valley all the way from Assam, India. The purpose of bringing the God Rato Machhindranath to the valley was to overcome the worst drought there. There was a strong belief that the God Rato Machhindranath would bring rain in the valley. It was due to Lalit's effort that the God Rato Machhindranath was settled in Lalitpur. Many believe that the name of the town is kept after his name Lalit and pure meaning township (Shrestha & Singh, 1972).



### Comparison Table

Comparative ICT facilities of two Municipalities

SN	Details	Kathmandu	Lalitpur	Differences
1	Population	975,453	284,922	690,531
2	Area (KM Sq.)	49.45	36.12	13.33
3	Density	19726	7888	11,838
4	Staffs	2225	1276	949
5	No of wards	32	29	3
6	ICT Budget	35 lakh	12 lakh	23 lakh
7	ICT Programs	8	10	
8	ICT Department	Yes	Only Unit	
9	ICT Staffs	Seven	Two	Five
6	Website	<a href="http://www.kathmandu.gov.np">www.kathmandu.gov.np</a>	<a href="http://www.lalitpurmun.gov.np">www.lalitpurmun.gov.np</a>	

Source: (KMC, 2018), (LMC, 2018)

### Objectives / Methodology

The study aims to compare the ICT infrastructure, human resources capacity and opportunities and threats to adapt E- governance between Kathmandu and Lalitpur Metropolitan cities. Methodologically, the study was conducted in the two metro cities of valley - Lalitpur and Kathmandu. Direct interview has been conducted with ICT officers of both metro cities. Their responses have been matched with the plan and programs (Council's Published Report) of respective metro cities. The study is based on the responses of ICT officers, valid plans and program of legislative body of local government (Council) and wide library methods.

### Literature Review

The history of ICT in Nepal is not very long. A broad range of factors that can influence the use of technology in learning has been mentioned in the literature. Successful implementation of ICT change is not about equipment or software but influencing and empowering teachers; it is not about acquiring computer skills but supporting teachers in the ongoing engagement with students in their learning's.

Demographic profiles, their positive attitudes, their awareness of successful and effective ICT integration in teaching, and their positive perceptions on the usefulness and ease-of-use of ICT, contribute to higher levels of ICT adoption (Augustine, Josheph, & Sunday, 2015).

Robert Heckman (USA) in 2005 said that “The learning industry is undergoing a transformation

process through the use of innovative products and tools from the ICT revolution. However, it is important that the tools are evaluated for appropriateness, effectiveness and usability from the user's point of view.

This understanding can assist educators in choosing the best product and in managing the tools for optimum benefit." Mojgan Afshari said that the success of implementation of ICT is not dependent on the availability or absence of one individual factor, but is determined through a dynamic process involving a set of interrelated factors. It is suggested that ongoing professional development must be provided for teachers to model the new pedagogies and tools for learning with the aim of enhancing the good governance (Caluza, Verccio, Funcion, Quisumbing, & Marmita, 2017). Naser Jamil Al-Zaidiyeen found that officers had a low level of ICT use for educational purpose. They hold positive attitudes towards the use of ICT, and a significant positive correlation between teachers' level of ICT use and their attitudes towards ICT was found. The findings suggest that ICTs use for educational purposes should be given greater consideration than it currently receives. In general, the results were consistent with those previously reported in studies related to the use of ICT in the educational settings

Kiruthika Ragupathi, in 2007, in his study entitled "Factors Affecting the Adoption of Information Technology (IT) in Higher Education" shows that faculty need to realize the advantage and value of using IT. Even though the infrastructure and new technologies are available, faculty will not use IT if they do not perceive any enjoyment or benefits to their teaching and learning experience. And he recommends that attempts in IT integration should focus on using technology to make a greater impact on the educational experience rather than the acquisition of infrastructure. Time and perceived benefits of using IT to develop courses will continue to be an ongoing issue. The university should think of creative approaches to ensure that faculty members have more time to experiment with integrating IT into their lessons.

The development of Nepal's IT Policy was an important achievement for the Government and for the IT sector. Virtually unprecedented in the country's history, the Information Technology Policy 2000 was crafted through a participatory process that involved most of the key stakeholders in the policy area (Burton, 2003). This process facilitated the buy in of participants, and fostered a better relationship between the Government and other actors, particularly the private sector. The policy was written during an era of global IT optimism, and signified the Government's desire to mold Nepal into a knowledge-based society, and to promote the country's IT sector on international markets (Burton, 2003). The private sector had lobbied for years to elevate information technology on the Government's agenda, and was able to point to neighboring countries such as India, as examples of the sector's potential. The policy itself was the culmination of these events, and has been heralded by many as a foundation piece for development of the sector.

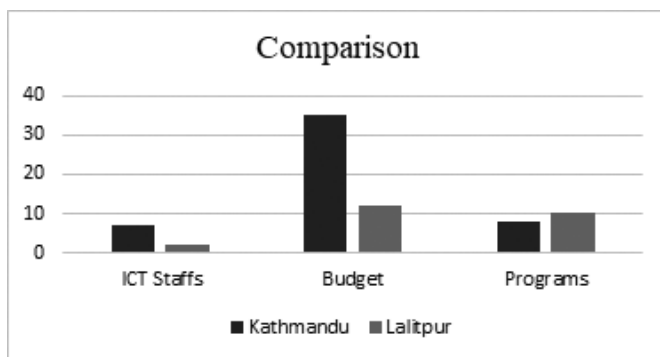
Another of the Government's goals is to use IT as a tool for social development, although an IT Bill outlining clear action plans has yet to be approved by Parliament. Implementation of the Policy has been slow to date, due to large political and social instability in the country (Burton, 2003).

Resulting financial constraints mean that for the foreseeable future the Government is unlikely to make much progress on its plans, although small steps are being taken in human resource development and on an IT park located in the capital city. There is still considerable optimism amongst stakeholders (including the Government), and a sense of shared interest which seems to have been fostered by the policy development process (Burton, 2003). In fact, the process itself is perhaps more important than the policy in the long run, since it has helped to create a network of policy actors who will likely collaborate in the future, under this and subsequent updates of the IT Policy.

## Discussions

***ICT Infrastructure in Kathmandu is higher than Lalitpur.*** ICT infrastructure means the facilities available in metro cities about information, communication and technology. The above stated table shows that an ICT infrastructure in Kathmandu Metro city is high. Kathmandu seems more advanced than Lalitpur in present status of ICT infrastructures. ICT is a general-purpose technology and thus has wide applicability in various manufacturing and services sectors. It has strong spread effects and extensive linkages with the rest of the economy. Its potential forward linkages extend to custom-made configuration while its backward linkages extend to material sciences. It thus has the potential to affect virtually all sectors of the economy by imbuing greater information and development content in products and processes. The presented graph shows the comparison among the infrastructure related on ICT (Burton, 2003).

### The Comparative Bar Graph



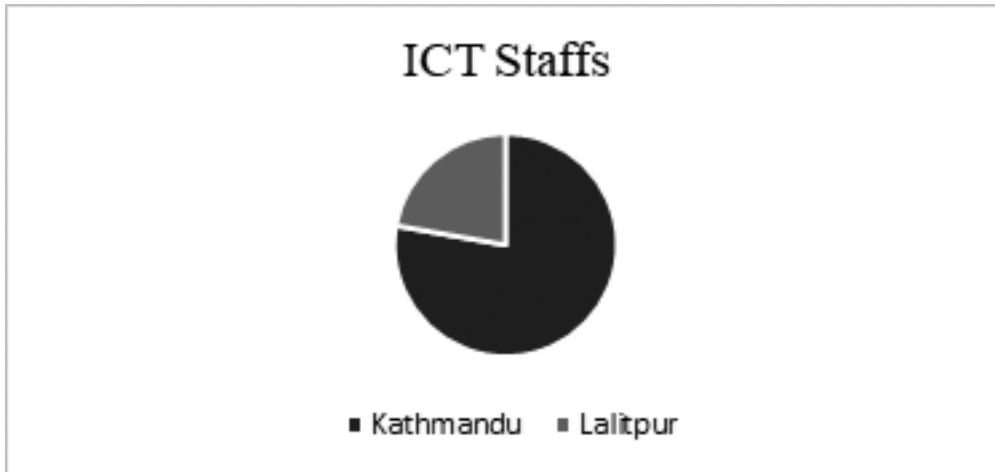
(Source: Developed by Author in 2018)

Lalitpur has to work a lot to compete with Kathmandu though the literacy rate is equal. This means people want exact service as soon as possible as they get from Kathmandu. There are no specific differences with the people of Kathmandu and Lalitpur in terms of languages, culture, tastes and preferences. Both the cities can be adjoined as a megacity with special authority.

***ICT Based human resource capacity is higher in Kathmandu than Lalitpur.*** Although Kathmandu is the oldest and the capital city of federal government the metro city has got many

privileges than Lalitpur. It has very big human resource capacity. It has 2225 full time working staffs among them seven are the ICT related officers.

### Comparative Pie Chart



(Source: developed by the Author, 2018)

On the other hand, newly organized metro city Lalitpur has only 1276 staffs which are almost 50% of Kathmandu Metropolitan and only two IT officers are assigned. From the perspective of human resource capacity, Lalitpur has to work a lot.

***ICT Adaptation opportunities and threats both are higher in Lalitpur:*** Lalitpur is newly upgraded as metro city so it has many threats and opportunities as well. From the limited staffs and budget, the city is able to provide the smart services to the people. Kathmandu is previously established metro city; it has outstanding plans, threats and opportunities however Lalitpur has to be established as a metro city at first then the smart city to compete the Kathmandu.

### Conclusions

In conclusion, ICT Infrastructure in Kathmandu is higher than Lalitpur, ICT based human resource capacity is higher in Kathmandu than Lalitpur and ICT Adaptation opportunities and threats both are higher in Lalitpur. In comparison Kathmandu is more advanced than Lalitpur, although both metro cities need to work a lot to provide smart facilities to the people in global context. People are highly educated so they want prompt service and it is only possible through the ICT adaptation. Hence, entire metropolis mechanism should be ICT friendly.

## References

- Augustine, E., Josheph, N. E., & Sunday, O. O. (2015). Assessment of Effectiveness of use of ICT Components for Services Delivery in Etsako West Local Government Area of Edo State, Nigeria. *British Journal of Economics, Management & Trade*, 197-207.
- Burton, L. (2003). *The Development of Nepal's IT Policy: A Case Study*. Kathmandu: Policy and Planning, IDRC .
- Caluza, L. J., Verecio, R. L., Funcion, D., Quisumbing, L., & Marmita, V. (2017). An Assessment of ICT Competencies of Public School Teachers: Basis for Community Extension Program. *IOSR Journal of Humanities and Social Science (IOSR-JHSS)*, 01-13.
- Karmacharya, R. (2010). *Survey of ICTs for education in India and South Asia, Country studies*. Kathmandu: Price Waterhouse Coopers.
- KMC (2018). *Council's report 2074*. Kathmandu: Kathmandu Metropolitan City.
- LMC (2018). *Counil report 2074*. Lalitpur: Lalitpur Metropolitan City.
- Shrestha, D., & Singh, C. (1972). *The history of ancient and medival Nepal*. Kathmandu: Authors.

## 8. HISTORICAL POLICY REVIEW ON DISABILITY

- Ramesh Baral<sup>8</sup>

### Abstract

*Historical Policy Review on disability is a comprehensive historical policy analysis of past, barriers, and developing trend and disability in Nepal. People with disability in Nepal seems to be suffering from different dimensions. The article is focused on history and policy led aspects in Nepal. Are the policies sufficient? This article seeks to objectively identify the policy gaps and historical development of institutional support for people with disability in Nepal. Methodologically, the article is a descriptive analysis of disability in Nepal. The article has adopted internet based library method to review the policy gaps and history of development trend of support for people with disability. In conclusion, it is obvious from the review of policies and international conventional commitments that Nepal has sufficient policies regarding the people with disability. The most serious issue is good governance of organizations. Lack of responsibility, accountability and transparency are still a problem though there are many policies emphasizing the solutions to these problems. This means the implementation aspects of disability are very disappointing. Historically, mythological, and cultural aspects of disability are not defined scientifically. Therefore, the same problems anomalies are seen in contemporary lives of people with disability.*

**Keywords:** *Disability, Historical Policy Review*

### Introduction

For a long time, disability in Nepal has primarily been a family concern and occasionally it has received some focus from public charity (in bigger urban centers like Kathmandu) and private philanthropy (in and around popular religious locations) (Banskota, 2015). Within a family also it is still a common practice to use the stigmatizing tag of "disfavor" with disabled conditions of family members and most of the families in Nepal still consider disability as a punishment for all the depravities and wickedness disable persons have committed in their past lives. Besides, the burden of disability is mostly put on the mothers of disabled child (Banskota, 2015). The estimation of WHO is that the percentage of disabled people in developing countries is around 15%. There are approximately 650 million people living with disabilities worldwide and an estimated 200 million of these are children. 80% of disabled people reside in low- and middle-income countries, and the number continues to increase (WHO, 2011). The different agencies unanimously identified five characteristics of access to health care:

- Availability – the type and extent of services
- Accessibility – physical barriers relative to location

---

<sup>8</sup> Mr. Baral is a PhD scholar at TU and involved in the field of PWD.

- Accommodation – sensitivity to individual differences or functioning
- Affordability – financial, time or energy costs
- Acceptability – mutual acceptance and reciprocity.

While many people do access and receive good health care, equity of access for some groups, particularly people with disabilities, can be problematic and this has been recognized by some service providers specifically in the area of physical and staff attitudinal barriers.

Theoretically, citing Neuman (2000), (Creswell, 2009) reviews theories at three levels: micro-level, meso-level, and macro-level. Micro-level theories provide explanations limited to small slices of time, space, or numbers of people, such as **Goffman's theory of face work**, which explains how people engage in rituals during face-to-face interactions. Meso-level theories link the micro and macro levels. These are theories of organizations, social movement, or communities, such as **Collins's theory of control in organizations**. Macro-level theories explain larger aggregates, such as social institutions, cultural systems, and whole societies. **Lenski's macro-level theory of social stratification**, for example, explains how the amount of surplus a society produces increases with the development of the society (Creswell, 2009).

**Critical disability theory** centers disability as it compares liberalism's norms and values with their actualization in the daily life of disabled people. It outlines seven elements of CDT: **the social model of disability; multidimensionality; valuing diversity; rights; voices of disability; language; and transformative politics**. Critical disability theory (CDT) is an emerging theoretical framework for the study and analysis of disability issues (Hosking, 2008).

Since it was first proposed by Max Horkheimer in 1937, critical theory has come to include a wide range of descriptive and normative bases for social inquiry which have the practical aim of maximizing human freedom and ending the domination of some groups by others defined by class, power, race or other social construct (Hosking, 2008). Unlike traditional theory, critical theory makes no claim to be normatively objective – its purpose is to explain oppression and to transform society with the objective of human emancipation. Despite the extensive variation in the critical theory tradition, any adequate critical theory must be explanatory, practical, and normative, all at the same time. That is, it must explain what is wrong with current social reality, identify the actors to change it, and provide both clear norms for criticism and achievable practical goals for social transformation. CDT, as a member of the critical theory family, is a theoretical approach to the concept of disability which is simultaneously explanatory, practical and normative (Hosking, 2008)

A theory which centers disability and proceeds from the perspective of disabled people needs to have a conception of disability which is sufficiently inclusive to encompass the population with which it is concerned. What this conception should be and how any definition can avoid being over- or under-inclusive is a key concern of critical disability theory (Hosking, 2008). In my



view, a 'universalist' conception of disability, which proposes that everyone may be placed on a continuum from disabled to not disabled and argues that disability is universal since everyone is disabled at some time in their lives, is an insufficient basis upon which to analyse the social condition of disabled people and develop social policy which is responsive to the interests of this very diverse population (Creswell, 2009). This necessitates some, inevitably contested, conception of disability which reasonably identifies the population in question without lapsing into essentialism. Broadly stated, liberalism has traditionally conceived of disability as personal misfortune preferably to be prevented and definitely to be cured, privileges 'normalcy' over the 'abnormal', presumes able-bodied norms are inevitable, and values economic productivity as an essential aspect of personhood (Hosking, 2008).

In the early days of the social model disabled activists often made the extreme claim that no impairment was disabling: Only the failure of society to accommodate difference limited an individual's life options. This conception of the social model met the needs of the times - a mighty shove is needed to overcome inertia and without this extreme proposition the medical model may never have been budged. But now the social model is widely accepted and, while recognizing the need to avoid reverting to an essentialist conception of disability, a complete account of disability must incorporate the personal experience of impairment and illness. The CDT version of the social model is the synthesis of the medical and social models which the World Health Organization calls the 'biopsychosocial model' (Hosking, 2008). This approach balances the contributions of impairment, personal responses to impairment and the barriers imposed by the social environment to the concept of disability.

Public policy must respond to both the biomedical and social aspects of disability. Prevention, treatment and rehabilitation are all appropriate responses to the biomedical, or impairment, aspects of disability. For those people who continue to experience social marginalization despite interventions responding to their biomedical circumstances, the appropriate policy response is to change the social environment. There is, however, an inherent dialectical tension between the medical model which seeks to abolish disabling impairments and a social model which accepts and truly values disabled people as equal, integrated members of society (Creswell, 2009). Critical disability theory probes this tension by questioning, among other things, concepts of personal independence and interdependence, the social construction of 'nondisability' as well as disability, the concept of normalcy, fundamental values of individual dignity and respect in democratic societies, and issues at the intersection of disability with class, gender, race, sexual orientation, ethnicity and other socially constructed categories (Creswell, 2009).

Critical disability theory adopts a version of the social model based on the principles that (1) disability is a social construct, not the inevitable consequence of impairment, (2) disability is best characterized as a complex interrelationship between impairment, individual response to impairment, and the social environment, and (3) the social disadvantage experienced by disabled people is caused by the physical, institutional and attitudinal (together, the 'social') environment which fails to meet the needs of people who do not match the social expectation of 'normalcy

(Hosking, 2008). The study incorporates 1. Critical Disability Theory 2. Goffman's Theory of face work, 3. Lanski's Macro level theory of social stratification and 4. Collins theory of control in organizations in meso level.

## **Typology**

For the purposes of distributing disability identity cards, the GON has classified disability, on the basis of its level of severity, as follows:

- (a) Profound disability: Difficulty to perform daily activities even with the help of others.
- (b) Severe disability: Inability to perform daily individual or social activities without the help of others.
- (c) Moderate disability: Ability to perform daily activities and participate in social life if barrier free environment, appropriate training and education are provided.
- (d) Mild disability: Ability to perform daily activities and participate in social life if barrier free environment is provided. (Banskota, 2015)

Above provisions are considered as the basic elements for ensuring human rights of persons with disability, as well as for their social inclusion, respectable rehabilitation and expansion of services. Here, an argument can be made that the current situation of PWDs will significantly improve with the successful implementation of these proposed measures (Banskota, 2015). Government of Nepal has reclassified the type of disability into 7 categories in 2007. 1) Physically disabled, 2) Visually impaired, 3) Deaf, 4) Deaf Blind, 5) Speech and hearing disability, 6) Mental disability, 7) Multiple.

## **Methodology**

The article is to identify the policy gaps and historical development of institutionalized assistance for people with disability in Nepal. Methodologically the study is a descriptive analysis of the disability in Nepal. The article has adopted internet based library method to find out the policy gaps and history of development trend of assistantship on disability.

## **Analysis / Discussion**

### **a) Historical Reviews**

Declaration of the International Year of Disabled Persons (IYDP) 1981 under the theme "Full Participation and Equality" taken by the UN General Assembly was an important breakthrough in the field of disability (Joshi, 2004). It was strongly urged that the UN system should make all facilities totally barrier-free, and encourage equality and full participation of disabled persons in all activities of the society. All the member states were requested to form National Committees

or similar coordination bodies to deal with the problem of disability. As a follow-up program of IYDP, the years 1983-1992 was declared The UN Decade of Disabled Persons (Joshi, 2004).

From Nepalese perspective substantial change in the perception of Nepali society towards disabled persons took place in 1977 after the formation of the Social Service National Coordination Council that was headed by Queen Aishwarya Shah. It was followed by several important changes like establishment of the Ministry for Social Welfare, the enactment of legislation for the Rights and Welfare of the Disabled, establishment of Social Welfare Council etc. (Joshi, 2004). In Nepal, since 1992, every year December 3rd is celebrated as International Day of the Disabled persons with various programs like procession of disabled persons, talk programs, workshops, seminars etc.

In the following year of International Year of Disabled Persons as proclaimed by the United Nations in 1981, Nepal enacted the Disabled Protection and Welfare Act, 1982 (the "DPW Act") National Policy and Plan of Action on Disability. Moreover, it was only after 1992, almost ten years later, the series of different legislations started to emerge such as the Education Act of 1992, Child Rights Acts of 1992 and Local Self-Government Act 1999 that have indirectly helped to bring forward PWD conditions closer to the policy makers.

In 1994, the Disabled Protection and Welfare Regulation (the "DPW Regulation") was framed to implement the DPW Act. Nepal signed the Convention on the Rights of Persons with Disabilities (the "CRPD") and the Optional Protocol to the Convention on the Rights of Persons with Disabilities (the "Optional Protocol") on 3<sup>rd</sup> January 2008, and also ratified them on 27<sup>th</sup> December 2009 (Banskota, 2015). The Constitution of Nepal, 2015 (the "Constitution") guarantees human rights and fundamental freedom to all its citizens. Hence, different measures have been coming into its strength for Nepal on 6<sup>th</sup> June 2010. However, the important changes have been only initiated after 2006, following the decade long conflict that has forced Nepal to provide political high priority to social inclusion and human rights, including those of PWDs (Banskota, 2015).

## **b) Policy Review**

### **i. The International Context**

In 1975 the UN produced its Declaration of Rights for Disabled People followed in 1982 by the World Program of Action Concerning Disabled People being adopted by the General Assembly. In terms of education a United Nations world conference on Education for All meeting basic learning need was held in Jomtien, Thailand in 1990 followed by a world conference on Special Needs Education: access and quality in Salamanca, Spain in 1994 which produced the Salamanca Statement and Framework for Action (Banskota, 2015). The discussions arising out of these conferences and the publications produced as a result of them have, as we will see below, had an impact on educational policy and practice in Nepal. 1982-92 was declared the UN Decade of Disabled People and, at the end of this decade the United Nations Standard Rules on the Equalization of Opportunities for Persons with Disabilities was produced which provided a basis

for international co-operation and an instrument for policy-making and actions for people with disabilities (WHO, 2011). However, these rules have no formal, binding authority. In 1997 the Dhaka Declaration stated that all Governmental and non-Governmental organizations working in this region recognize that handicap and disability are development issues. 2003-12 has been stated as being the Asian and Pacific Decade of Disabled Persons and, in response to this, the UN ESCAP has produced the Biwako Millennium Framework for Action: towards an Inclusive, Barrier-free and Rights-based Society for Persons with Disabilities in Asia and the Pacific.

## **ii. The Nepali Legal Context**

The first legislation related specifically to disabled people in Nepal was the Disabled Persons (Protection and Welfare) Act (1982). However, the Rules to lay down how this legislation might be exercised were not produced for another twelve years in 1994 (Banskota, 2015). The newly adopted Constitution of Nepal, 2072 (September, 2015), in its article 31, clearly declared that every person with disability shall have the right to free education up to the higher-secondary level. Similarly, it is also clearly stated that persons with visual disability shall have access to Braille and persons with deaf and hard of hearing disability to sign language (Eide, Neupane, & Hem, 2016). The Act contains the following provisions:

### **Education:**

- a. No fees shall be charged to disabled students.
- b. 5% of places in Government organizations providing vocational training should be reserved for disabled people.
- c. NGOs or private organizations that provide education and training for disabled people can ask for assistance from the Government.
- d. A Disabled Relief Fund (established in 1981) can allocate scholarships to disabled students (Joshi, 2004).

### **Health:**

- a. Disabled people are entitled to free medical examination.
- b. All hospitals with more than 50 beds should allocate two beds for the use of disabled people.
- c. There should be free treatment for disabled people over the age of 65 (Joshi, 2004).

### Employment:

It is prohibited to discriminate against disabled people in relation to employment. Individual businesses employing more than 25 people should give 5% of their jobs to disabled people. There should be income tax exemption for employers who employ disabled people. There should be no duties on specialist equipment required by disabled employees. 5% of jobs in the Civil Service should be allocated to disabled people (Banskota, 2015).

### Self-employment:

The Act directs the Government to provide programs which support disabled people into self-employment. It also states that the Disabled Relief Fund should allocate loans of between 5,000/- and 20, 000/- in order for them to establish themselves as self-employed (Banskota, 2015).

### Transport:

The Act allows for transport companies to allow disabled people to travel at half the regular fare but this can only be undertaken with the agreement of the particular company. At the present time, all transport in Nepal is privately owned (Joshi, 2004).

### Social Welfare:

The Act allows for disability allowance to be paid to disabled people, but this is a power rather than a duty and is qualified by statement that this is subject to available resources.

### People with mental health difficulties:

The Act states that people with a mental disorder should have arrangements made for them to be treated either at a hospital or at home. It also says that no disabled persons suffering from mental disease, save those against whom proceedings are being taken or who have been punished in a criminal offence under the prevailing law, shall not be kept in jail. Although this is then qualified by the next phrase except for treatment or security arrangements. Additional legislation in Nepal, The Education Act 2000 authorizes the Government to develop special rules for disabled people in education (Joshi, 2004).

The Social Welfare Act 1992 established the Social Welfare Council and gave the Government powers to develop special programs for disabled people. The Child Protection Act 1992, which was introduced to address issues raised in the UN Convention on the Rights of the Child, states that disabled children cannot be discriminated against and gives a duty that disabled children who cannot be cared for by their family must be provided for in children homes and receive necessary education (Joshi, 2004).

Recently New act entitled disability act 2017 has been passed by the parliament of Nepal. States Parties reaffirm that persons with disabilities have the right to recognition everywhere as persons

before the law. States Parties shall recognize that persons with disabilities enjoy legal capacity on an equal basis with others in all aspects of life. States Parties shall take appropriate measures to provide access by persons with disabilities to the support they may require in exercising their legal capacity. States Parties shall ensure that all measures that relate to the exercise of legal capacity provide for appropriate and effective safeguards to prevent abuse in accordance with international human rights law. Such safeguards shall ensure that measures relating to the exercise of legal capacity respect the rights, will and preferences of the person, are free of conflict of interest and undue influence, are proportional and tailored to the person's circumstances, apply for the shortest time possible and are subject to regular review by a competent, independent and impartial authority or judicial body (United Nations, 2011).

The availability and accessibility of the data is a major instrument to address the issues of person with disabilities and for policy formation and program implementation. At national level, very few studies have been done in this sector, and those which are done have been limited to head count or prevalence rates only. However, still the estimate of disability in Nepal is found varying from one study to another. According to the latest population census carried out in 2011, the prevalence of disability is 1.94% in Nepal (Eide, Neupane, & Hem, 2016).

## **Findings**

Economically there are differences in economic activity to the advantage of control households. The large majority of both individuals with and without disability do not have work that gives them regular income. Results on economic activity, however, show clearly that control individuals and households are more integrated into the formal labor market. This must be regarded as the major reason for the economic/SES differences between the two groups (HHs and individuals), and the difference between the groups is exacerbated by the difference in mean number of household members in that case households cater for more people (Eide, Neupane, & Hem, 2016).

Sociologically, the results reveal that many individuals with disability are excluded from the education system, and other indicators indicate lower school achievement among individuals with disability. Supported by the results of the study, the combination of many individuals with disability not accessing school and relatively small differences between school going cases and controls, indicates a Living Conditions. Study in Nepal selection processes whereby the most competent individuals with disability are included and the more severely disabled are excluded from education. This is thus a matter of both ensuring access to education for all and to improve the way students with disability are handled. While this study does not reveal the mechanisms whereby individuals with disability are excluded from their right to education, both competence and attitudes within the school system should be targeted to improve the situation (Eide, Neupane, & Hem, 2016)

### **From social inclusion:**

The results clearly indicate the inclusion as an area in need of intervention both at family/

household and community level. It adds to this that awareness of DPOs and membership in DPOs among individuals with disability is low, leaving the large majority of individuals with disability without this potentially important source of support (Eide, Neupane, & Hem, 2016).

Unlike many other countries that have been included in similar research, there appears to be a substantial gap in access to health services among individuals with disability, with more than 40% stating that they did not receive health services even though they needed it. On one hand, this is the service with the smallest gap among the services included in the study. On the other hand, the gap is very high for such a critical service and simply implies that health coverage can hardly be said to be universal in this population. Gaps in services are very high for many of the services included, and simply indicate that many of the basic services are not available for large proportions of the disabled population and that the current specter of basic services is not sufficient to cater for the needs of individuals with disability.

This must be assumed to impact on the inclusion of individuals with disability in society and an evident area for improvements. This may partly be a capacity problem and partly a matter of exclusion. Further research will be necessary to reveal this. As these questions were not presented to non-disabled, we do not know to what extent access is lower among individuals with disability (Eide, Neupane, & Hem, 2016). Individuals with disability have higher levels of anxiety and depression than non-disabled, and they rate both their physical and mental health lower. This is of importance as the status of being disabled may easily shadow for health problems. It is a prerequisite for equitable health services that service providers are conscious about the double burden of many individuals with disability, i.e. poorer mental and physical health in addition to the impairment/disability (Eide, Neupane, & Hem, 2016).

Slightly more females reported experience of being discriminated in any public service than males, but the main impression is that gender differences are small. Any experiences of being beaten, scolded or discriminated are unacceptable and a violation of human rights, and it may be of some concern that violence/abuse by family members is reported by one in four in spite of the context of this data collection that one can assume contributed to underestimate the phenomenon. The results indicate that many individuals with disability suffer under unacceptable treatment in particular in their home environment (Eide, Neupane, & Hem, 2016).

## **Conclusion**

In conclusion, from the review of policies and international conventional commitments, Nepal has sufficient policies regarding the people with disability. The most serious issue is good governance of organizations. Lack of responsibility, accountability and transparency those policies are in shadowed area. It means implementation parts are very disappointing. It needs another study to check the issue from good governance perspective. On the other hand, development trends seem satisfactory. Historically, mythological, and cultural aspects on disability are not defined scientifically, so the same traditional impacts are seen in contemporary lives of people with disability.



## References

- Banskota, M. (2015). *Nepal Disability Policy Review*. Kathmandu: School of Arts, KU, Disability Research Center.
- Creswell, J. W. (2009). *Research design: Qualitative, quantitative, and mixed methods approaches*. New Delhi: Sage Publications.
- Eide, A. H., Neupane, S., & Hem, K.-G. (2016). *Living Condition among Individuals with Disabilities in Nepal*. Kathmandu : SINTEF Technology and Society, Department of Health Research .
- Hosking, D. L. (2008). *Critical disability theory*. A paper presented at the 4th Biennial Disability Studies Conference, Lancaster University, UK:.
- Joshi, S. K. (2004). Disability in Nepal. *KU Medical Journal (Voll. 2)*, 1-5.
- United Nations (2011). *Convention on the rights of persons with disabilities and optional protocol*. Geneva: United Nations.
- WHO (2011). *World report on disability 2011*. 20 Avenue Appia, 1211 Geneva 27, Switzerland: WHO Press, World Health Organization, .

## 9. PUBLIC SERVICE DELIVERY OF LOCAL GOVERNMENT IN NEPAL IN 2015

- Suman Kharel<sup>9</sup>

### Abstract

*There has often been a gap between policy intentions and outcomes in the field of local governance and public service delivery. Analyzing the factors for these discrepancies requires multi-level approaches that relate policy decisions formulated at the national and international level with the decisions of local governance stakeholders. An Institutional Analysis and Development framework is necessary ability to link multiple local governance levels. Yet most common literatures have been limited to the study of collective action among local communities without considering higher institutional and government levels. To overcome this limitation, I set the methodology of the framework, which bridges the gap between institutional, historical analysis, power-centers, and discourse analysis. This article aims at examining current public service delivery status, analyzing challenges of public service delivery of local government and assessing people's experience of public service delivery of local government. In conclusion, current status of Local Government is illegal, incomplete and dysfunctional as it is in its service delivery. The major challenge is political instability and political reluctances for local election. The people's experience over the public service is below the satisfactory level.*

**Key Words:** *Public Service Delivery, Good Local Governance and Decentralization*

### Background

“A public service is a service benefiting the public that is provided for by the government because it is underprovided by the market. The public benefits from outputs and outcomes of the given service, not merely inputs. For instance, buildings, textbooks, teachers, assurance of pedagogical training and quality instruction, are all inputs for delivery of education service, but the public service is to yield an output of students with skills” (World Bank, 2014). So public service is a mechanism of government to provide its services to the people. Good governance is a process of executing a coherent governing plan for the nation based on the interests and priorities of the people. Its purports are to create a society based on the principles of inclusiveness, liberty, equality and cooperation. Those who are in the office, especially the elected ones, must represent the concerns, values and needs of the people and empower them through the realization of their basic rights, including the right to development and self-determination, by developing their access to markets, assets, goods and services and institutions (Dahal, Uprety, & Subba, 2001).

### Principles and Policies of Local Self-governance:

Government shall, in accordance with the guidelines set forth in the Constitution of Nepal, 1990, on decentralization; pursue the following principles and policies for the development of local self-governance system (Government of Nepal, 1999):

---

9 Mr. Kharel is PhD Scholar and teaches at Central Department of Rural Development, TU.

- (a) Devolution of such powers, responsibilities, and means and resources are required to make the Local Bodies capable and efficient in local self-governance.
- (b) Building and development of institutional mechanism and functional structure in Local Bodies capable the government to consider for local people and bearing responsibilities.
- (c) Devolution of powers to collect and mobilize such means and resources as are required to discharge the functions, duties, responsibility and accountability conferred to the Local Bodies.
- (d) Having the Local Bodies oriented towards establishing the civil society based on democratic process, transparent practice, public accountability, and people's participation, in carrying out the functions devolved on them.
- (e) For the purpose of developing local leadership, arrangement of effective mechanism to make the Local Body accountable to the people in its own areas.
- (f) Encouraging the private sector to participate in local self-governance in the task of providing basic services for sustainable development (Government of Nepal, 1999). However, practically the situation is quite opposite.

The concept of local governance encompasses institutional networks, interactions, collaborations and collective action in enhancing democratic practices at the local level are inevitable. This broader notion of local governance can foster democratic norms, values and practices of diverse types of locally functioning institutions. This is a new phenomenon evolving around the human collectivism. It is expected to provide spaces for diverse community groups and networks to promote and engage in collective action for locally defined agenda (Rai & Paudel, 2011). The fundamental principle of local governance is to make the government responsive and accountable towards the people in its jurisdiction. The effectiveness of public service delivery depends largely on the capability, resources, inputs, and the motivation of frontline service providers at the local level. In Nepal a combination of de-concentrated line agencies and local bodies at the district, municipal, and village level provides inputs which are translated into delivery of service outputs and outcomes. Yet the relationships between line agencies and local bodies in service delivery are not well understood (World Bank, 2014).

The country is emerging from 10 years of violent civil conflict, and has been setting up new mechanisms to realize a new vision of Nepal. This has taken the form of a rights-based constitution and multi-party governments that have been the basis for many of the social policy initiatives undertaken thus far (Koehler & Chopra, 2016). In such a critical situation public service may delay. Ensuring accountability and transparency of local level finance are critical elements for ensuring people's participation in local development.

Nepal's approach to local government has historically emphasized local participation and empowerment rather than creating institutions for service delivery. Over 50 years of subnational governance reforms have yielded an administrative framework of local bodies (LBs) consisting of

75 District Development Committees (DDCs), 58 Municipalities and 3,915 Village Development Committees (VDCs). As the LBs' names indicate, their primary role is 'development', understood as carrying out small capital works, rather than local governments ensuring a mix of inputs for effective delivery of public services (World Bank, 2014). Fulfilling the requirement of the new constitution of Nepal in 2015, all old municipalities and villages (which were more than 3900 in number) were restructured into 753 new Municipalities and Villages. The former 75 District Development Committees (DDC) were also replaced by 77 new District Coordination Committees (DCC) which have much less power than the DDCs. At present there are 6 Metropolitan Cities, 11 Sub-Metropolitan Cities, 276 Municipalities, and 460 Rural Municipalities.

Accountability is a relationship between an actor and a forum, in which the actor has an obligation to explain and to justify his or her conduct; the forum can pose questions and pass judgment; and the actor may face consequences (Rai & Paudel, 2011). Accountability entails government at all levels to be held responsible, by both its people and its elected bodies. Accountability also calls for a strict separation of local budgets and entrepreneurial activities at local level. However, in order to hold government accountable, we also need transparency. Transparency refers to norms and practices for legally legitimate centers of powers to disclose information about their decisions, actions and states of affairs to the public (Koehler & Chopra, 2016). A transparent public financial accounting policy makes it possible to determine what the government has done and to compare planned with actual financial operations. Transparency denotes free access to governmental political and economic activities and decisions (Koehler & Chopra, 2016).

The three-pillar 28 concept for the success of decentralization program may be relevant for understanding local governance discourse in Nepal. Based on this theoretical stance, the prevailing local governance discourse is not sufficient to address even one of the three. The creation and strengthening of local institutions can be ascertained with the links of five key governance issues:

- 1) The natural way of governing citizens;
- 2) Way of deepening democracy-power devolution reaching from central to the very local;
- 3) Accountability and responsiveness of the government;
- 4) Correction of the failure of top-down approach; and
- 5) The cost effectiveness of the government (Rai & Paudel, 2011)

In the democratic society, decentralization is considered as a tool to develop partner institution in-between the local communities and the central institution known as local government which is closer to the people than central government. The World Bank distinguishes the conceptual and empirical distinction of decentralization in three dimensions: fiscal, administrative and political. Conceptually, fiscal decentralization refers to the process of granting autonomy to the local self-government to mobilize financial resources (Shrestha, 2009). The impersonality of local bodies in goods and service delivery can only be achieved when its autonomy is no longer compromised

by either central control or captured by local elites. In practice there are three limitations to autonomy. First, the principles of autonomy involve three basic rights-- distinct identity, ability to enter into contract and acquire, use and dispose its property. New institutional economic theorists argue that a precondition for development is a minimum legal and contractual structure and a set of well-defined and enforced property rights. Seen in this light, one can argue that the local government institutions have certain powers to make bylaws, raise revenue, carry out spending, recruit staff and adjudicate local disputes on a limited scale. But their autonomy is weakened by the fragmentation of local authorities on partisan lines causing a systematic erosion of the institutional dependence and centralized nature of services in a number of areas (Dahal, Uprety, & Subba, 2001).

Nepal has experienced many political changes with different development approaches in different timeline. Many of them have been wasted due to the wrong strategy and approaches. The government after the restoration of democracy has been tried to implementation of decentralization model and even enacted the Local Self Governance Act (LSGA) 1999. There was huge discussion about the decentralization and the role of local government. But, again, the result to the citizen was ritual and as it was in past (Sharma, 2004). Local government bodies are independently elected by the local citizens. Politically they look like autonomous and independent. But, there is lacking of fiscal decentralization, no more required administrative decision power and even existence of many more contradictory acts with central government (Shresth, 2008). Due to as such many reasons local government compelled to depend with national government. So that local government institution is not found to be a responsive and accountable to provide the effective service to their citizens. There are some of the basic objectives of the decentralization and local government such as; make easy access on services to the people with quantity and quality, better utilization of the resources with the participation of people, avoid administrative service delay and difficulties, transparency in service delivery system and develop the participatory democratic system (Adhikary, 2010).

## **Methodology**

This paper for discussion is largely based on review of available literature and conversations with local governance constituencies. The information was collected from secondary sources. Secondary sources include books, e-articles, articles, journals, reports, organizational publications, memorandum, and discussion papers etc. This paper also draws from review of media content. This study is completely based on secondary sources according as the references specified in the last section of this report.

## **Discussion/Analysis**

### **a. Public Service Delivery**

The practice of power for the management of economic and social resources in the development of the state the rules that answer the questions who, what and how decisions are made and enforced

is Local governance whereas exercise of political authority and the use of institutional resources to manage society's problems and affairs and system that manages the public affairs related to social and economic resources locally is local governance (Regmi, Naidoo, Greer, & Plkington, 2010). It has been argued that decentralization improves governance and public service delivery in four ways: (1) by increasing allocated efficiency adhering to the local needs and interests; (2) Improving efficiency through increased accountability of local governments; (3) Having fewer bureaucratic layers; and (4) By providing equitable opportunities for people (Regmi, Naidoo, Greer, & Plkington, 2010). Similarly, these public services reforms in the form of a decentralization plan were implemented in Nepal on both political – strengthening democracy, accountability and participation by bringing government closer to its public – and economic grounds, such as the need to enhance the effectiveness, efficiency and responsiveness of public service provision (Regmi, Naidoo, Greer, & Plkington, 2010).

Decentralization is defined as a socio-political process that transfers authority and responsibility in planning, management and decision-making from central government (CG) to local authorities (LA). This is motivated in part by the desire to bring politicians and policy-makers closer to clients and to make systems more equitable, inclusive and fair as well as developing services to be more efficient and effective (Regmi, Naidoo, Greer, & Plkington, 2010). However, decentralization in public service management continues to invite controversy and debate. Opponents of decentralization consider it the road to wrack and ruin, whereas its advocates see it as a panacea for reforming the public services in developing countries (Regmi, Naidoo, Greer, & Plkington, 2010). Although the large body of literature has addressed the issue of decentralization and public sector development, the effects of decentralization on health services management and service delivery have been poorly assessed. One of the major reasons why people belonging to particular ethnic, linguistic, geographic, cultural communities felt discriminated by the regime is the poor state of public service delivery. Local governance is different from governmental authority. It is composed of local community, formal and informal institutions (BK, 2013).

Nepal still faces challenges in public service delivery. A sizeable number of people do not yet have access to basic public services. It is not uncommon to find people who have hardly had access to basic public services. Likewise, the efficiency and quality of the services being delivered is still generally low. Some health facilities, for example, are devoid of essential medicines and equipment or the medical personnel to work at the facilities. This poor state of service delivery has been causes of public concern both Central Government (CG) and Local Bodies (LBs) are responsible for providing services (Regmi, Naidoo, Greer, & Plkington, 2010). The role of the CG in service delivery is critical, since it has the lead role in policy formulation, financing, regulation and actual delivery. However, the delivery of the CG has not been as efficient and effective, as would be desired, owing in part to a long chain involved from policy formulation to service delivery, lack of local control, poor match between financial allocation and local preferences among others. In recent years, the role of the LBs in service has been increasing. Delivery has substantially increased. However, they are yet to be established as institutions of public service delivery (Regmi, Naidoo, Greer, & Plkington, 2010).

Another source of inefficiency of the public service delivery system at the LB level is the lack of local control over their staff and thus, weak accountability relationships with clients/citizens. Since the secretaries/chiefs of the LBs are centrally controlled in terms of their transfer, promotion, dismissal, salary and other pecuniary benefits, there is no incentive for these officials to be accountable to the LBs' political representatives. The constitution should provide for proper and adequate institutions ensuring accountability of the local governments without which there is no guarantee that local public service delivery will improve. In this regard, the role of the electoral system, intergovernmental relations and citizen empowerment in development programs is critically important. Likewise, fiduciary issues (financial management, procurement, budgeting, accounting, auditing and reporting) will require focus and clarity across the tiers of government. Rights to information, including enhanced social accountability mechanisms and cognizance of environmental and social safeguard issues will be important.

#### **b. Status of public Service Delivery on Local Government**

Institutionalize the process of development by enhancing the participation of all the people including the ethnic communities, indigenous people and down-trodden as well as socially and economically backward groups in bringing out social equality in mobilizing and allocating means for the development of their own region and in the balanced and equal distribution of the fruits of development (Government of Nepal, 1999). Theoretically it has been written but practically since last 20 years' local bodies are vacant.

Administratively, Nepal is divided into five development regions, 14 zones, 75 districts. A Village Development Committee (VDC) in Nepal is the lower administrative part of its Ministry of Federal Affairs and Local Development. Each district has several VDCs, similar to municipalities but with greater public-government interaction and administration. There are currently 3,157 village development committees in Nepal. Each VDC is further divided into several wards depending on the population of the district. Municipalities in Nepal are cities and towns meeting minimum criteria set out by the government. These criteria include a certain population, infrastructure and revenues. Presently, there are 217 municipalities in Nepal of which only 58 existed until 2014. 72 were established in May 2014, 61 in December 2014 and another 26 in September 2015. In addition, the Government of Nepal raised the administrative level of 7 existing municipalities to sub-metropolitan municipality for a total of 11 (Nepal, 2072). However, the local bodies restructuring committee has purposed 719 local bodies all over the country.

Most of the ministries have their offices at district level that are important to delivering services under their jurisdictions. And, some of the district level offices have their delivery units down to the VDC level. These service units are administratively and financially controlled and managed by district level offices that are in turn controlled by their regional offices, departments and ministries. As for the local governments, they exist at district level and below. DDCs function at district level and so do municipalities and VDCs in urban and rural areas. *Ilakas* are constituted of a number of VDCs, but they do not have independent status. The central government plays a significant



role in providing public services (Nepal, 2072). It provides these services through ministries, departments, regional, and district and VDC level offices. Several public enterprises and other autonomous agencies are also involved in the service delivery process. However, for a number of reasons these service delivery models have not been able to rise up to the challenges. First, a long chain is involved between the service delivery units at local levels and the ministries in terms of budgeting, planning, programming and staffing. Budgets and programs are to be approved at the central level and passed on to the lower level, a process which takes significant amount of time. Despite improvements in recent years, annual budgets and work plans does not reach the operational level on time. Second, because of the centralized nature, there is very little scope for matching budget allocation and programming with local needs. Thirdly, the local people and authorities have almost no control over the staff and budget of the CG offices. (BK, 2013) The quality of services being delivered by the central agencies is still low.

### **c. Challenges of Public Service Delivery on Decentralization**

Since begin of 1990s across the world countries have been faced with the challenges of simultaneous globalization and decentralization. The requirements towards more decentralized forms of governing have their point of departure in the necessity for more efficient delivery of various public services. In order to accept these requirements many countries had started with decentralization of their governing structures (Petak, 2004). However, the present discussion of federalization may affect the situation but there is an existence of an extensive debate over the relationship of federalism and decentralization among development practitioners. Federalism is often accompanied by decentralization, but it is not a necessary condition for decentralization, nor is decentralization a sufficient condition for federalism (Ghimire, 2061).

Resource mobilization is a challenging task for the economic development of a country. It mainly depends upon the system of governance, rule of law, efficiency of authorities, and so on. In this context, discussions were held with local authorities and personnel to collect the information regarding the challenges in local resource mobilization (Shrestha, 2009) Local Bodies could be oriented to fulfill the role of a local government that is more clearly responsible for public service outcomes (World Bank, 2014). The instruments of decentralization – the legal and institutional framework, the structure of service delivery responsibilities, and the inter-governmental fiscal system – must be designed to support the political objectives (Petak, 2004).

Good governance is a crucial precondition for economic growth. Only those countries are said to be having good governance which have a highly qualified public and private service mechanism that can withstand undue political pressure and manage all types of conflicts. This institutional determination requires enough social capital necessary for rationalizing public action as well as to steer social transformation. "The crucial Challenge is to build societal capacity for managing diversity and preventing social capital from being transformed into an instrument of exclusion and violent conflict (Dahal, Uprety, & Subba, 2001). The challenge is how to accommodate underlying political pressures so that the developmental potential of decentralization can be realized and the

risks minimized. The central challenge for Nepalese policy makers is to confront social power posed by societal complexities and asymmetries and their attendant effects on the composition of political power and authority. The other challenge is correcting the extreme urban bias and priority given to the non-agriculture sector by central planners. Similarly, to halt the steady retreat of the state from society, especially banks, police posts, schools, development projects and cooperatives, this has left a power vacuum increasingly filled by extra-constitutional forces. A society will be "more likely to cohere if people are socialized to have diverse wants with respect to private goods and similar wants with respect to collective goods. (Dahal, Uprety, & Subba, 2001).

If Constituent Assembly - Legislative Parliament, government agencies, political parties, the private sector, civil society, the media and individuals make collective efforts, the weak condition of local governance can certainly be improved. All sectors and individuals need to work for promoting good governance, transparently and accountably. If concerted efforts are not made to protect endangered transparency and accountability, it is unlikely that transparency and accountability will be established and developed in the near future. The government, government agencies, the private sectors and donor agencies are unlikely to take the initiative in this issue, because economically, politically and socially backward sections of the society, whose survival depends on environmental resources, goods and services are their constituency for name sake only.

#### **d. People's perception of Local Governance on Good Governance**

Empowerment is one of the components of influencing stakeholders of local governance (BK, 2013). People expect simple basic needs, employments and infra-structure development but government has not been able to guarantee the needs. Currently, new initiatives are expanding the role of local governments – these include Poverty Reduction Strategies, which highlight an important role for local governments in poverty alleviation, but do not define how this role should be implemented (Ghimire, 2061). Also, there is an increased interest in the responsibility of sub-national governments in local economic development. Yet, it remains somewhat unclear, in practice, how local governments can help support business development. Capacity building, both in terms of human resources and financial support, has often been quoted as the principle obstacle in further decentralization processes. There is an ongoing need for capacity building and technical assistance, as well as practical lesson sharing and while there has been progress in this area, more needs to be done (Kunwar, 2010). In addition, assistance needs to be provided simultaneously “upwards” to the central and municipal government levels addressing advocacy and policy design and “downward” to the field-level stakeholders and local government authorities. Finally, improved donor coordination is fundamental to avoid conflicting advice, duplication and waste. Donors are integral partners in the decentralization process and measures need to be taken by developing countries to improve the coordination of efforts to provide efficient and effective assistance (Shresth, 2008)

In satisfaction surveys, a direct causal relation is presupposed between the quality of a certain

service delivery and user satisfaction. If service quality increases, satisfaction increases as well. In reality however, this is not always the case because of differences in producer and consumer views on quality exchanges in quality and perceptions of it, but also of expectations service characteristics (Bouckaert & Van de Walle, 2003). However where trust in government used to refer to belief that government will not become autocratic or arrest people indifferently, it now refers to more down to earth matters such as reliability of service delivery or the expectation that policy will correspond to one's wishes (Bouckaert & Van de Walle, 2003). The factors determining trust in government are not necessarily the same for every country or political culture, and may differ over time. In political systems where public services are functioning in an impeccable way, evaluations of the public services will probably not be used to determine one's level of trust in government. Even more important is the impact of events on its service delivery (Bouckaert & Van de Walle, 2003).

Decentralization and local self-governance are the bases of grassroots democracy, giving strong foundation to democracy at nation. When local interests, priorities, needs and resource base are different, autonomous local bodies should be empowered to manage the local affairs democratically in popular participation of the local people. Nepal acknowledged the philosophy of local governance and undertook efforts to decentralize central power and authority, in different points of time. Nepal have considerable constitutional, legislative and institutional framework. Prospects are there to institutionalize popular local democracy and bringing in socio-economic and political development in the lives of people at large, by the side a number of challenges are standing parallel (Adhikary, 2010). Issue of autonomy; fostering participation, inclusive and representative democracy; viability of financial resources; maintaining accountability and transparency; harmonizing the relationship with central government, NGOs, development partners and civil societies etc. are among the key challenges of Local bodies in Nepal.

Above all, a daunting or discouraging challenge appears to the contemporary local bodies as they are going through the absence of popularly elected representatives but led by civil bureaucrats. Recognizing Local Self Governance in constitution and addressing to these issues through effective legislative instruments can strengthen democracy at grassroots (Adhikary, 2010). The prevalent hierarchy in Nepalese society among rich and poor, low caste and high caste, male and female is the greatest challenge for the smooth functioning of any development endeavors. Due to such hierarchy, there is the degree of social, political and economic exclusion resulting to poverty. Mostly, women and ethnic groups are left out of the mainstream of development as they lack voice, empowerment, representation and access to economic opportunities. Therefore, weak governance is the key determining factor to exacerbate the poverty.

## Conclusion

With the specified given socio-cultural setting, level of political culture and maturity, situation of conflict, central government influence and bureaucratic culture as well as limitations within the Local Bodies, practice of local governance missed the philosophy and spirit of the most democratic

decentralization, subsidiary principle and local-self-governance. In conclusion the current status of Local Government is illegal, incomplete and dysfunctional as it is in its service delivery. The major challenge is political instability and political reluctances for local election. The people's experience over the public service is below the satisfactory level. The major issues to be cured as soon as possible at execution level are: the dominance of the All Party Mechanism (APM) and the absence of elected representatives, low representation of women and *Dalits* in decision-making bodies, overburdened office bearers: VDC secretary and LDO meaningless devolution, conflicts in the formation of the user's committees and elite domination. The use of contractors, shortage of technical personnel, no supervision or monitoring, incomplete and poor quality projects, no repair and maintenance, increased grant amount without institutional capacity and dependency on central grant. From the policy level it is very urgent to conduct a Local Election.

## References

- Adhikary, R. (2010). *Local governance institutions in Nepal: status and challenges*. Dhaka: North South University.
- BK, U. B. (2013). *Rethinking Local Governance in Nepal: A Case of Dalit Participation*. Lalitpur: Social Inclusion Research Fund (SIRF), SNV Nepal .
- Bouckaert, G., & Van de Walle, S. (2003). Comparing measures of citizen trust and user satisfaction as indicators of 'good governance': Difficulties in linking trust and satisfaction indicators. *International Review of Administrative Sciences*, 69(3), 329-344.
- CBS. (2012). *Nepal in Figures*. Kathmandu: Central Beureo of statistics.
- Dahal, D., Uprety, H., & Subba, P. (2001). *Good Governance and Decentralization in Nepal*. Kathmandu: Centre for Governance and Development Studies.
- Ghimire, H. (2061). *Developmental Practices in Nepal*. Pulchhowk, Lalitpur: Sajha Prakashan.
- Government of Nepal. (1999). *Local Governance Act 2055 (1999)*. Kathmandu: Ministry of Law and Justice, Law Books Management Board.
- (2016). In G. Koehler, & D. Chopra, *Development and social welfare Policy in south Asia*. Newyork: Routladge.
- Kunwar, K. B. (2010). *Rural development in Developing Countries (Policies, Strategies, and Practices)*. Kathmandu: Meena Publication.
- Nepal, G. o. (2072). *Brief introduction of Nepalese Local Bodies*. Kathmandu: MOFALD.
- Pandey, D. R. (1999). *Nepal's Failed Development: Reflection on Mission and Maladies*.

Kathmandu: Nepal South Asia Centre.

- Petak, Z. (2004). How to Measure Decentralization: The Case-Study from central European countries. *University of Zagreb, Croatia* (pp. 2-6). Bloomington: The third pentannual workshop on workshop.
- Rai, J. K., & Paudel, N. S. (2011). *Discourses of Local Governance in Nepal*. Kathmandu: Forest Action.
- Regmi, K., Naidoo, J., Greer, A., & Plkington, P. (2010). Understanding the effect of decentralisation on health services the Nepalese experience . *Journal of Health Organization and Management* , 361-382.
- Sharma, P. (2004). *Local Development Planning in Nepal An emperical experience*. Kathmandu: Kshitiz Publication.
- Shresth, C. L. (2008). State of Tourism in Nepal- An Overview. In R. P. Upadhyaya, *Readings in Rural Tourism* (pp. 249-262). Kathmandu, Nepal: Sunlight Publication(students' Books).
- Shrestha, B. (2009). Fiscal Decentralization and Local Resource Mobilization in Nepal. *Nepalese Journal of Public Policy and Governance*, xxv(2), 55-72.
- World Bank. (2014). *Local Service Delivery in Nepal*. Kathmandu: World Bank.

## 10. ECONOMIC TRANSFORMATION ON BENEFIT SHARING OF HYDROPOWER PROJECT AREA

- Usha Khatiwada<sup>10</sup>

### Abstract

*Major problem of Nepalese economic transformation is lack of educational willingness of development practiceners. This study has been conducted to analyze the theories of economic transformation, to check the initiation of economic transformation in Nepal, to analyze the rural electrification and benefit sharing. It is based on secondary information of library method. It is a review of related documents of economic transformation, benefit sharing and hydropower projects of Nepal. The study shows that theories on Economic Transformation are necessary to revise; Economic Transformation in Nepal is yet to start; Rural Electrification is not economic transformation from hydropower projects in Nepal; Benefit sharing in Nepal is not satisfactory.*

**Keywords:** *Benefit Sharing, economic transformation, hydropower*

### Background

The major bottleneck in Nepalese economic transformation is employment pattern (Bhatta, 2014). It is believed that increased employment opportunities are the prerequisites for continued and sustained economic growth. In Nepal, we can observe a massive underemployment with very low productivity in agriculture. The opposite is the case of services as the contribution to economy is more than half but it provides employment for only 15 percent of work force (Bhatta, 2014). Thus the hydropower projects can provide the employment opportunities, business opportunities, and many more economic multiplying activities.

Economic transformation is the positive change on human economic life from different development projects. In development economics, economic transformation refers to the continuous process of moving labor and other resources from lower to higher-productivity sectors raising within-sector productivity growth. Economic transformation, as part of development, can be defined as a dynamic process through which a country's economy, society and institutions modernize and move to more developed levels (Clemens & Xinshen, 2008). As such, economic transformation emphasizes the movement from low to high productivity activities within and across all sectors. Thus hydropower projects could be the panacea of poverty alleviation.

### Reviews

The study is completely based on library method. A massive literature review has been conducted to draw the conclusion. This movement of resources from lower productivity to higher productivity activities is a key driver of economic development (Clemens & Xinshen, 2008). Within sector productivity growth entails the adoption of new technologies and management practices that

---

<sup>10</sup> Ms. Khatiwada is a PhD Scholar at TU and involved in Micro Hydro and Insurance.

increase the efficiency of production. It can come about as a result of the increased efficiency of existing firms or as a result of the reallocation of resources away from the least productive firms towards more productive firms. As such, a specific type of structural economic transformation is occurring – one where labor moves to a more productive sector/activity, but not within the national economy (Basnett, et al., 2014). When a hydropower project will start in a certain place, it creates job and increases the employment opportunities.

It will bring a tremendous change—economic transformation, as structural economic transformation involves the movement of labor from low to higher productive activities. This could entail movements within the sector (for example from subsistence farming to high value crops) or between sectors (for example from agriculture to manufacturing to services). The importance is in the returned labor accrues, higher wages and the associated developmental benefits to the household, for example in health and education. As such, structural economic transformation must be viewed in terms of productivity changes (within or between sectors) (Basnett, et al., 2014). It can be easily observed if we visit the buffer zone of mega projects.

Economic transformation can be measured through production/value-added measures and trade-based measures. Production-based measures include: sector value added and employment data, to show productivity gaps between sectors; and firm-level productivity measures, to examine average productivity levels of firms within one sector (Clemens & Xinshen, 2008). Trade-based measures include: measures of revealed comparative advantage to show the levels of specialization of a country in certain exports; and export diversification measures such as those produced by the International Monetary Fund. Economic transformation is commonly defined as a process in which an increasing proportion of economic output and employment are generated by sectors other than agriculture. Low levels of productivity have inhibited meaningful structural economic transformation – where labor moves from low productivity activities to those with higher productivity and returns. With the manufacturing sector in stagnation, and with limited absorption capacity within the services sector, many Nepalese exit the national labor market to find employment abroad (Basnett, et al., 2014).

## **Discussion and Analysis**

### **Theories on Economic Transformation are necessary to revise**

This process of transformation means the shift from agricultural-based societies to urban, industrial and/or service-based economies with sustained high GDP growth rates (Mugerwa, 2016). For the last 15 years the world has been guided by Millennium Development Goals (MDGs) which have since 2016 been succeeded by SDGs and will guide the world for the next 15 years till 2030. The SDGs, officially known as Transforming our world: the 2030 Agenda for Sustainable Development, are an intergovernmental set of aspiration goals. The 2030 Agenda is a global commitment to achieving sustainable development in its three dimensions of economic, social and environmental, in a balanced and integrated manner (Mugerwa, 2016). The Agenda is a plan of action that is centered on people, the planet and prosperity. Its aim by 2030 is: to



end poverty and hunger everywhere; to combat inequalities within and between countries; to build peaceful, just and inclusive societies; to protect human rights and promote gender equality; to ensure the lasting protection of the planet and its natural resources; and to create conditions for sustainable, inclusive and sustained economic growth, shared prosperity and decent work for all, taking into account different levels of national development and capacities (Mugerwa, 2016). These sustainable goals are easily achievable for Nepal, due to the interest of high foreign assistance Nepal government is lowering its economic status. So it seems to be revised

Schultz was among the first economists to emphasize that productivity-led agricultural transformation can make a much more important contribution to economy-wide transformation than merely providing surplus labor and savings to support industrialization (Clemens & Xinshen, 2008). According to Schultz efficient but poor hypothesis, farmers should be seen as entrepreneurs even within traditional agricultural systems. The low marginal productivity seen in agriculture before transformation is due to the fact that factors employed in agriculture are traditional. Incentives for farmers to invest in these traditional factors are low unless farmers have the opportunity and incentive to transform the traditional agriculture of their forefathers or ancestors (Clemens & Xinshen, 2008). In Schultz' view, the existence of a micro foundation for farmers to adopt modern technologies can make agriculture an important driver of growth. He emphasizes the role of agricultural productivity growth, stating that "unless technological progress in agriculture is sufficiently rapid to outpace the growth of population and the force of diminishing returns in land and other factors, the industrial sector may not become economically viable". Schultz's Theory is very important to analyze the economic transformation but it is also not free from criticisms.

Lewis' dual economy theory was the first seminal contribution to understanding how technology led productivity growth in the industrial sector leads to economic transformation. Observations on the streets of Bangkok inspired Lewis to hypothesize the existence of a large traditional sector in which "the marginal productivity of labor is negligible, zero or even negative" in many low-income developing countries (Clemens & Xinshen, 2008). The difference between a leading modern sector (often the industrial sector) with higher productivity and a lagging traditional sector (often the agricultural sector) with lower productivity, combined with an unlimited supply of labor from this traditional sector (which keeps economy-wide wages down), allows production to grow in the economy through the migration of labor from the traditional sector to the modern sector (Clemens & Xinshen, 2008). Same as Schultz Lewis is also on the same way on its ideologies however it is time to redefine it locally.

Economic transformation from rural agricultural to modern industrial or service sectors is the fundamental requirement to achieve high and sustainable growth (Bhatta, 2014). This can be said as the rapid and sustainable economic development in most of the developed as well as emerging economies has been achieved with the permanent shifts in their economic structure over the long-run. They have experienced a gradual transformation of the economy from rural subsistent agriculture to the modern industrial and then ultimately to the service dominant (Bhatta, 2014).

Economic transformation is about changing the nature of jobs, of changing what people do, where they do it and how they do it. The jobs diagnostics undertaken by the World Bank clearly show that the degree of economic transformation determines how widespread job creation will be and the extent of productivity and income gains.

### **Economic Transformation in Nepal is not yet started**

Nepal's economy depends on its natural resources. Water and forests, if well managed and maintained, can become resource bases for economic transformation process. Moreover, Nepal has the potential to decouple growth from rising carbon emissions by leveraging hydropower as a source of energy for the economy. By increasing the amount of low-carbon electricity generated through hydropower, Nepal can remove a major constraint to growth across the economy – the lack of reliable and regular energy supply (Basnett, et al., 2014). In addition, providing electricity in rural areas will contribute to expanding the area of land under irrigation, and further diversify the rural economy, allowing poor households to become more integrated in the economy. In the long term, surplus energy from hydropower can be sold to India to generate foreign currency reserves, thus contributing to reversing Nepal's trade deficit (Basnett, et al., 2014). It has not shown any substantial changes on livelihood of people of hydropower project areas. Economic transformation continues to escape Nepal. Weak productive capacity has resulted in low levels of economic development and per capita income, and a large majority of labor is still involved in low productive agricultural activities (Basnett, et al., 2014). With the manufacturing sector stagnant, and low labor absorption capacity in the service sector, economic alternatives for improving household well-being have not been forthcoming from the national economy. Consequently, a large number of workers choose to migrate to foreign labor markets in search of better jobs (Basnett, et al., 2014). Entire development projects should be revised for rapid economic development.

### **Rural electrification is not economic transformation from hydropower projects in Nepal**

Developing mini hydropower infrastructure provides rural households and businesses electricity, which contributes to higher farming and processing output in rural areas. This also reduces dependence on wood for fuel. Rural electrification can lead to a virtuous circle where increased output drives more investment, in turn spurring more production (Basnett, et al., 2014). Developing large dams and hydropower infrastructure can also generate electricity for rural areas, but also serve manufacturing industries and service sectors, addressing a major constraint to growth for these sectors (Basnett, et al., 2014). Water resources It is estimated that the Nepal contains 2.27% of world's fresh water resources. There are over 6,000 rivers and rivulets and 660 lakes with annual runoff of 225 billion cubic meter (BCM) of which only 15 BCM has been utilized. Groundwater potential is 12 BCM, of which annual withdrawal is 0.756 BCM for irrigation and 0.297 BCM for domestic uses. A total of 1.2 million ha land is irrigated (68% of the total irrigable land, DOI 2007), of which 0.93 million ha is irrigated by surface and 0.28 million ha by groundwater. Irrigation capability. Total hydropower generated in the county is 634 MW despite the economic potential to generate over 42,000 Mw (Bhatta, 2014). It has brought the social change in livelihood

however until it economically shows the tangible result in GDP and employment opportunities at local level it should not be addressed as economic transformation of people.

A positive outcome of rural electrification would be the potential to reduce the costs of irrigation use and expansion in new areas. At present, many farmers rely on expensive diesel pumps or forego irrigating during power (Basnett, et al., 2014) losses which would occur less frequently with a regular power supply. Meeting domestic energy needs means Nepal would no longer need to buy electricity from India, but could instead sell it, improving the balance of trade and, with it, wider macroeconomic conditions that determine how attractive Nepal is as an investment destination. The sum of these changes is more low-carbon growth and poverty reduction (Basnett, et al., 2014). Although it is a very strong step toward economic transformation.

### **Benefit sharing in Nepal is not satisfactory**

The contemporary discourse on ‘benefit sharing’ parallels a broader reframing of hydropower development as an important vector for sustainable development and an increasing focus on resolving embedded issues of social and environmental equity (Shrestha, et al., 2016). The 2000 World Commission on Dams, the 2010 Hydropower Sustainability Assessment Protocol and the emergence of the concept of integrated water resources management (IWRM), for example, are all evidence of this increasing interest in sustainability standards and the idea that the requirements and goals of sustainability have evolved over the years (Shrestha, et al., 2016). Increasing requirements for ‘social and environmental mitigation’ and new expectations for ‘corporate social responsibility (CSR)’ indicate a similar shift in the social dimensions of development projects.

‘Benefit sharing’ as a formal concept is relatively new in Nepal, the analysis of the hydropower sector in Nepal indicates that a variety of models and practices of benefit sharing have co-evolved with efforts to promote hydropower development over time. These patterns reflect broader patterns of success and failure in Nepal’s hydropower sector, but also a series of unique innovations and solutions emerging from the process of negotiation with the different stakeholders seeking benefits. In parallel, a variety of overlapping definitions of what benefit sharing is and what it should be have also arisen, creating a robust and dynamic discourse that places Nepal at the leading edge of the global conversation on benefit sharing in the hydropower sector (Shrestha, et al., 2016). It should be redefined and imposed in Nepalese modality. Although legal and regulatory frameworks are key factors affecting the benefit sharing arrangements, the design and realization of any benefit-sharing program in Nepal rests on a process of negotiation.

Despite this complexity, the comprehensive review of practices and policies of benefit sharing by 18 different hydropower projects across Nepal suggests that the field of benefit-sharing practices is trending toward coherence. Thus, although it would be inappropriate to try to create a ‘one-size fits all’ policy, the time has come to establish a more comprehensive policy framework that can guide project developers seeking to establish benefit sharing programs and frame the process of negotiation in a way that might yield more effective solutions to conflicts over hydropower development (Basnett, et al., 2014). It is important to establish a clear definition of ‘benefit sharing’

as a concept and a shared system of classification for the diverse benefits arising from hydropower development (Shrestha, et al., 2016)

Environmental issues must be considered within larger decision making about water resources management and within the global paradigm of the water, food, and energy nexus. In the current political and economic climate, many people consider environmental safeguards to be an additional barrier to hydropower development and an additional cost preventing the realization of Nepal's hydropower possibilities – a perspective that reflects an imbalance between short-term and long-term needs (Bhatta, 2014).

## Conclusion

Thus, finding the appropriate mechanism for economic transformation, sharing benefits on or from hydropower projects require balancing the competing interests and agendas of differently-positioned project stakeholders – from the project developer, to government actors and policy makers, to institutional investors and donor agencies, to consumers and electricity users and project-affected populations. In conclusion, Theories on Economic Transformation are necessary to revise; Economic Transformation in Nepal is not yet started; Rural Electrification is not economic transformation from hydropower projects in Nepal; Benefit sharing in Nepal is not satisfactory.

## References

- Basnett, Y., Hanley, G., Howell, J., Harry, J., Lemma, A., & Pandey, P. (2014). *Structural economic transformation in Nepal: A diagnostic study submitted to DFID Nepal*. Kathmanu: DFID Nepal.
- Bhatta, G. R. (2014). Structural Change and Per Capita Income in Nepal: Empirical Evidences. *NRB Economic Review NRB-WP-23*, , 41-60.
- Clemens, B., & Xinshen, D. (2008). *Economic transformation in theory and practice: What are the messages for Africa?* . Washington, DC: Regional Strategic Analysis and Knowledge Support System, International Food Policy Research Institute .
- Mugerwa, K. (2016). *Socio-economic transformation in Uganda : for attainment of Middle Income Status* . Luwero: National Planning Authority Uganda.
- Shrestha, P., Lord, A., Mukharji, A., Shrestha, R. K., Yadav, L., & Rai, N. ( 2016). *Benefit Sharing and Sustainable hydropower: Lessons from Nepal*. Kathmandu: International Centre for Integrated Mountain Development and Niti Foundation.

## **Guidelines for submission to Researchers**

1. Articles for submission must be in English. They must be original and not previously published in any other journals either in printed or in electronic form (e.g. cutline). They also should not be under a review for publication in any journal.
2. Submission must include a cover page that bears the author's name, and resume of the author, title of the article desirably with 12 words and an abstract with key words. The name of the author should not appear in any part of the article.
3. The articles must be within 3,000 to 6,000 words, including illustrations, graphs, and charts; must be double spaced or 1.5-line space. Both a hard and soft copy of the file in MS Word using 12 point Times New Romans font must be sent to the address indicated below.
4. Articles must follow the APA guidelines:
5. The Authors/Researcher will be responsible and accountable for their views or statements therefore, the articles published in the journal do not reflect the views or policies of the Editorial Committee.
6. If the contributor is found guilty of or charged with plagiarism the contributor shall be responsible.
7. The journal follows a blind submission policy and articles will namelessly be reviewed by peers.
8. Drawings, photographs, slides, tables, charts, maps, etc., must be numbered and the sources listed.
9. The decision of the Editorial Board will be the final, acceptance or reject for.
10. Author should follow the suggestions given by the peer reviewers, editorial board or chief editor.
11. The copyright of the Article will be preserved on **Research Nepal**.

**Email address for article submission: [bpb222@yahoo.com](mailto:bpb222@yahoo.com)**



**Research Nepal Journal of Development Studies (Volume I, Issue 1) May, 2018**



## Table of Contents

### Table of Contents

<b><u>1. ALTERNATIVE RURAL DEVELOPMENT: SOCIAL JUSTICE, EQUITY, SELF-RELIANCE, AND THIRD WORLDISM - Bharat Prasad Badal</u></b>	<b>1</b>
<b><u>2. SOCIO ECONOMIC IMPACT OF UNDECLARED BLOCKADE OF INDIA ON NEPAL - Bhuwaneswor Pant</u></b>	<b>18</b>
<b><u>3. SEX TRAFFICKING IN NEPAL - Bishnu Sapkota</u></b>	<b>28</b>
<b><u>4. FISCAL DECENTRALIZATION IN BUDDHIST ECONOMICS: AN INTERACTIVE ANALYSIS FROM LUMBINI - Indra Prasad Bhusal</u></b>	<b>32</b>
<b><u>5. SEASONAL LABOUR MIGRATION AND LIVELIHOOD IN THE MIDDLE HILL OF NEPAL: REFLECTIONS FROM ARGHAKHANCHI DISTRICT - Kanhaiya Sapkota</u></b>	<b>42</b>
<b><u>6. CARDAMOM PRODUCTION IN KAVREPALANCHOWK - Kiran Shrestha</u></b>	<b>58</b>
<b><u>7. NEPALESE MUNICIPAL GOVERNANCE: A COMPARATIVE CASE STUDY of KATHMANDU AND LALITPUR METROPOLITAN CITIES - Rajeshwor Gyawali</u></b>	<b>66</b>
<b><u>8. HISTORICAL POLICY REVIEW ON DISABILITY - Ramesh Baral</u></b>	<b>73</b>
<b><u>9. PUBLIC SERVICE DELIVERY OF LOCAL GOVERNMENT IN NEPAL IN 2015<sup>116</sup> - Suman Kharel</u></b>	<b>83</b>
<b><u>10. ECONOMIC TRANSFORMATION ON BENEFIT SHARING OF HYDRO-POWER PROJECT AREA - Usha Khatiwada</u></b>	<b>94</b>

ISSN: 2631-2131

*A publication of*



**Research Nepal**

Mahalaxmi Municipality, Lalitpur

[www.researchnepal.edu.np](http://www.researchnepal.edu.np)